

June 5, 2018

To Our Shareholders with Voting Rights

Kimikazu Aida
President and CEO
AIDA ENGINEERING, LTD.
2-10 Ohyama-cho, Midori-ku, Sagami-hara,
Kanagawa 252-5181, Japan

Notice of the 83rd Ordinary General Meeting of Shareholders

Dear Shareholders:

We would like to take this opportunity to express our sincere appreciation for your support. You are cordially invited to attend the 83rd Ordinary General Meeting of Shareholders of AIDA ENGINEERING, LTD. (hereinafter, the “Company”), to be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders provided in the following pages and exercise your voting rights by no later than 6:00 p.m., Tuesday, June 26, 2018.

1. Date: 10:30 a.m., Wednesday, June 27, 2018
2. Place: The conference room of the Company
2-10 Ohyama-cho, Midori-ku, Sagami-hara, Kanagawa, Japan

3. Objectives of the Meeting:

- Reports:
1. Report on the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 83rd Fiscal Year (from April 1, 2017 to March 31, 2018)
 2. Audit Reports of the Accounting Auditors and the Board of Statutory Auditors on the Consolidated Financial Statements for the 83rd Fiscal Year (from April 1, 2017 to March 31, 2018)

Agenda:

- | | |
|------------|---------------------------------------|
| Proposal 1 | Appropriation of Retained Earnings |
| Proposal 2 | Election of Seven (7) Directors |
| Proposal 3 | Election of One (1) Statutory Auditor |

4. Other matters regarding this Notice

- (1) Among the documents to be provided in this Notice, Corporate Systems and Policies in the Business Report, the Consolidated Statements of Changes in Net Assets, the Notes to Consolidated Financial Statements, the Non-Consolidated Statements of Changes in Net Assets, and the Notes to Non-Consolidated Financial Statements are posted on the Company’s website (<http://www.aida.co.jp>) pursuant to applicable laws and regulations and Article 16 of the Articles of Incorporation of the Company. The attached documents in this Notice are therefore parts of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Statutory Auditors in the preparation of Audit Report and the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Accounting Auditors in the preparation of Independent Auditor’s Report.
- (2) If circumstances occur that may require changes to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-Consolidated Financial Statements, such changes shall be posted on the Company’s website (<http://www.aida.co.jp>) on the Internet.
- (3) You may exercise your voting rights by proxy by having another shareholder who holds voting rights attend the General Meeting of Shareholders on your behalf. Please note, however, that a document evidencing the authority of proxy must be submitted.

(Information)

- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk upon arrival at the meeting. Also, please bring this Notice with you for resource-saving purposes.
- Proceedings on the day will be in Japanese. Please note that we will not provide an interpreter.

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal 1-Appropriation of Retained Earnings

The Company strives to increase its corporate value and to ensure continuous growth of earnings per share by strengthening its operation basis, improving Company quality and by carrying out its operation from a global perspective, while recognizing that improvement of profit distribution to shareholders is one of our most important management issues.

Our basic policy on dividends is to maintain stable dividends, targeting 30% or more of the consolidated dividend payout ratio, while taking into account such matters as securing stability of the business base and maintaining internal reserves for growth investment in the future.

Based on the above policy, for the fiscal year under review, the Company will pay an ordinary dividend of ¥30 per share.

Matters relating to year-end dividends

- (1) Category of dividend assets
Cash
- (2) Matters relating to the allocation of dividend assets and the total amount of such allocation
¥30 per share of the Company's common stock
Total payment: ¥1,954,819,260
- (3) Date on which the dividend of retained earnings shall take effect
June 28, 2018

Proposal 2-Election of Seven (7) Directors

The terms of office of all seven (7) Directors (of which, two (2) are Outside Directors) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to elect seven (7) Directors (of which, two (2) are Outside Directors).

The candidates for Directors are listed below.

No.	Name	Current positions and duties at the Company	Candidate attribute
1	Kimikazu Aida	President and CEO Division Manager, Research & Development Headquarters	Candidate for re-election
2	Naoyoshi Nakanishi	Director, Executive Vice President and COO General Manager, Global Operation Promotion Office	Candidate for re-election
3	Yap Teck Meng	Director, Managing Executive Officer	Candidate for re-election
4	Toshihiko Suzuki	Director, Managing Executive Officer Division Manager, Engineering Headquarters and Sales Headquarters	Candidate for re-election
5	Masahiro Kawakami	Operating Officer	New candidate
6	Kimio Oiso		Candidate for re-election Outside Director Independent Director
7	Hirofumi Gomi		Candidate for re-election Outside Director Independent Director

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
1	Candidate for re-election Kimikazu Aida (December 13, 1951)	December 1976 Joined AIDA ENGINEERING, LTD. June 1982 Director September 1989 Representative Director (current position) April 1992 President (current position) April 2001 Chief Executive Officer (CEO) (current position) October 2011 Division Manager, Research & Development Headquarters (current position) <Concurrent holding of important positions> Chairman, AIDA AMERICA CORP. Chairman, AIDA S.r.l.	1,444,953
	<p>< Reasons for electing the candidate for Director> Kimikazu Aida has led global strategies and development of new products as Representative Director since 1989, and has been contributing to rapid expansion of business up to the present time. He has abundant experience and knowledge as a manager and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director to make good use of his experience and knowledge for management of the Company and further enhancement of the decision-making and supervisory functions of the Board of Directors.</p>		
2	Candidate for re-election Naoyoshi Nakanishi (June 3, 1951)	March 1970 Joined AIDA ENGINEERING, LTD. June 1997 Director May 2000 Executive Director June 2001 Director (current position) January 2010 Division Manager, Production Division June 2010 Chief Operating Officer (COO) (current position) October 2011 Executive Vice President (current position) January 2013 Division Manager, Sales & Customer Service Division March 2014 General Manager, Global Operation Promotion Office (current position) <Concurrent holding of important positions> Chairman, ACCESS, LTD.	124,915
	<p>< Reasons for electing the candidate for Director> Naoyoshi Nakanishi has been supervising the manufacturing division of the entire Company as Director since 1997 and the business of the entire Group as Chief Operating Officer since 2010. He is well versed in the Company's business administration in general and has abundant experience and knowledge, and we judge that he is indispensable to management of the Company. Based on the above, the Company requests his re-election as Director to make good use of his experience and knowledge for management of the Company and further enhancement of the decision-making and supervisory functions of the Board of Directors.</p>		

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
3	Candidate for re-election Yap Teck Meng (September 4, 1962)	<p>June 1996 Joined AIDA MANUFACTURING (MALAYSIA) SDN.BHD. (currently AIDA ENGINEERING (M) SDN. BHD.)</p> <p>November 2007 Operating Officer, AIDA ENGINEERING, LTD.</p> <p>June 2010 Managing Executive Officer</p> <p>June 2013 Director (current position)</p> <p>June 2013 Executive Officer</p> <p>June 2014 Managing Executive Officer (current position)</p> <p><Concurrent holdings of important positions> Chairman and Managing Director, AIDA GREATER ASIA PTE. LTD. Chairman, AIDA ENGINEERING (M) SDN. BHD. Chairman, AIDA ENGINEERING CHINA CO., LTD. Chairman, AIDA PRESS MACHINERY SYSTEMS CO., LTD.</p>	0
	<p>< Reasons for electing the candidate for Director> Yap Teck Meng has assumed management for many years as the top of Asian regional subsidiaries of the Consolidated Group, and currently supervises sales of the entire Consolidated Group as Managing Executive Officer of the Company. He has abundant experience and knowledge concerning operations in general and management of the Company. To make good use of such experience and knowledge for management of the Company and further enhancement of the decision-making and supervisory functions of the Board of Directors, the Company requests his re-election as Director.</p>		
4	Candidate for re-election Toshihiko Suzuki (August 28, 1961)	<p>December 2011 Joined AIDA ENGINEERING, LTD.</p> <p>June 2014 Operating Officer</p> <p>May 2015 Division Manager, Engineering Headquarters (current position)</p> <p>June 2015 Director (current position)</p> <p>June 2017 Managing Executive Officer (current position) Division Manager, Sales Headquarters (current position)</p> <p><Concurrent holding of important positions> Chairman, Reliance Electric Limited</p>	5,185
	<p>< Reasons for electing the candidate for Director> Toshihiko Suzuki has mainly engaged in the engineering division to date and currently supervises the engineering division and marketing division of the entire Consolidated Group as Managing Executive Officer of the Company, while assuming management as Chairman of an important domestic subsidiary. He has abundant experience and knowledge concerning operations and management of the Company. To make good use of such experience and knowledge for management of the Company and further enhancement of the decision-making and supervisory functions of the Board of Directors, the Company requests his re-election as Director.</p>		

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions		Number of the Company's shares held	
5	New candidate Masahiro Kawakami (September 24, 1968)	March October January June June July	1991 2011 2013 2014 2015 2016	Joined AIDA ENGINEERING, LTD. General Manager, Fabrication & Machining Department General Manager, Sales Management Department, Sales & Customer Service Headquarters Vice President, AIDA S.r.l. Operating Officer (current position) President, AIDA S.r.l. (current position) <Concurrent holdings of important positions> President, AIDA S.r.l.	1,359
	<p>< Reasons for electing the candidate for Director> Masahiro Kawakami has mainly engaged in the production division since joined the Company and taken part in other divisions including sales and marketing as well. He also has experience in working in Europe and the USA, and currently serves as Operating Officer to assist the supervising of the production division of the entire Consolidated Group and takes charge of management of an Italian subsidiary, our important base, as President. He has abundant experience and knowledge concerning operations in general and management of the Company. To make good use of such experience and knowledge for management of the Company and further enhancement of the decision-making and supervisory functions of the Board of Directors, the Company requests his election as Director.</p>				
6	Candidate for re-election Outside Director Independent Director Kimio Oiso (October 8, 1946) Board of Directors' meeting attendance during the fiscal year ended March 31, 2018 - 100% (all 15 meetings)	July July June April June July June	2000 2007 2008 2010 2010 2010 2012	Statutory Auditor, The Dai-ichi Mutual Life Insurance Company (currently Dai-ichi Life Insurance Company, Ltd.) Representative Director and Senior Executive Officer, The Dai-ichi Mutual Life Insurance Company Statutory Auditor, AIDA ENGINEERING, LTD. Director, The Dai-ichi Life Insurance Company, Ltd. Retired (resigned) from Director, The Dai-ichi Life Insurance Company, Ltd. President, The Cardiovascular Institute Director, AIDA ENGINEERING, LTD. (current position) <Concurrent holding of important positions> Not applicable	6,323
	<p>< Reasons for electing the candidate for Outside Director> Kimio Oiso has abundant experience and knowledge as a corporate manager and has been providing advice and suggestions useful for management of the Company from an independent and objective point of view. For reasons mentioned above, the Company judges that he is suitable as Outside Director of the Company and requests his re-election as Outside Director.</p>				

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions			Number of the Company's shares held
7	Candidate for re-election Outside Director Independent Director	April 1972	July 1996	Joined the Ministry of Finance Director of the Research Division, Banking Bureau, Ministry of Finance	0
	Hirofumi Gomi (May 13, 1949)	June 1998		Director-General, Inspection Department, Financial Supervisory Agency (currently Financial Services Agency)	
		July 2000		Secretary-General, Executive Bureau, Securities and Exchange Surveillance Commission, Financial Services Agency	
		July 2001		Director-General, Inspection Bureau, Financial Services Agency	
		July 2002		Director-General, Supervisory Bureau, Financial Services Agency	
		July 2004		Commissioner, Financial Services Agency	
		July 2007		Resigned Financial Services Agency	
		November 2009		Visiting Professor, Aoyama Gakuin University (current position)	
		June 2011		Auditor, MIROKU JYOHO SERVICE CO., LTD.	
		January 2014		Advisor, NISHIMURA & ASAHI (current position)	
		February 2015		Senior Advisor, THE BOSTON CONSULTING GROUP (current position)	
		June 2015		Director, AIDA ENGINEERING, LTD. (current position)	
		June 2016		Director, Infoteria Corporation (current position) Director, MIROKU JYOHO SERVICE CO., LTD. (current position)	
		June 2017		Director, SBI Holdings, Inc. (current position)	
		<Concurrent holding of important positions> Not applicable			
< Reasons for electing the candidate for Outside Director> Hirofumi Gomi has abundant experience and advanced expertise acquired through his participation in the financial administration of the country as Commissioner of the Financial Services Agency, etc. and has been providing advice and suggestions useful for management of the Company from an independent and objective point of view. Although he has not been involved in corporate management other than as outside director or outside auditor, the Company judges that he is suitable as Outside Director of the Company for the reasons mentioned above and requests his re-election as Outside Director.					

- (Note)
1. There is no special interest between the above candidates and the Company.
 2. The number of the Company's shares each candidate holds is shown including shares of stock in Officer's Shareholding Association.
 3. Kimio Oiso and Hirofumi Gomi are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
 4. The Company designated Kimio Oiso and Hirofumi Gomi as Independent Directors as defined by Tokyo Stock Exchange, Inc., and registered them with the Tokyo Stock Exchange as Independent

Directors. If the re-election of both Kimio Oiso and Hirofumi Gomi is approved at this General Meeting of Shareholders, the Company will re-designate them as Independent Directors.

5. The term of office of Kimio Oiso as the Outside Director is six (6) years at the closing of this General Meeting of Shareholders.

The term of office of Hirofumi Gomi as the Outside Director is three (3) years at the closing of this General Meeting of Shareholders.

6. Pursuant to the Articles of Incorporation, the Company has entered into contracts with Kimio Oiso and Hirofumi Gomi, which provide that the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be up to the minimum liability amount specified in each item of Article 425, Paragraph 1 of the same law. If the re-election of both Kimio Oiso and Hirofumi Gomi is approved at this General Meeting of Shareholders, the Company will continue the aforementioned liability limitation contracts with them.

Proposal 3-Election of One (1) Statutory Auditor

The term of office of one (1) Statutory Auditor Shigeo Matsumoto will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to re-elect one (1) Statutory Auditor.

The Company has already obtained the consent of the Board of Statutory Auditors with respect to the submission of this proposal.

The candidate for Statutory Auditor is listed below.

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions		Number of the Company's shares held	
1	Candidate for re-election Outside Auditor Independent Auditor	May	1999	General Manager, Operation Audit Dept., The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)	10,970
	Shigeo Matsumoto (May 30, 1947)	June	2001	Standing Auditor, The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)	
		April	2002	Standing Statutory Auditor, Mizuho Corporate Bank Ltd. (currently Mizuho Bank, Ltd.)	
		August	2002	Resigned Mizuho Corporate Bank Limited (currently Mizuho Bank, Ltd.) Standing Statutory Auditor, Fuji Research Institute Corporation	
		October	2004	Standing Statutory Auditor, Mizuho Information & Research Institute, Inc.	
		June	2010	Resigned Mizuho Information & Research Institute, Inc. Standing Statutory Auditor, AIDA ENGINEERING, LTD. (current position)	
Board of Directors' meeting attendance during the fiscal year ended March 31, 2018 - 100% (all 15 meetings)					
Board of Statutory Auditors' meeting attendance during the fiscal year ended March 31, 2018 - 100% (all 9 meetings)			<Concurrent holding of important positions> Not applicable		
<p>< Reasons for electing the candidate for Outside Statutory Auditor > Shigeo Matsumoto has abundant experience including working overseas for major financial institutions and conducting internal audit, and extensive insights in finance and management. He has been overseeing the execution of duties by Directors and executors of business from an independent and objective point of view. For reasons mentioned above, the Company judges that he is suitable to duly fulfill duties as Outside Statutory Auditor of the Company and requests his re-election as Outside Statutory Auditor. In addition, although he worked for Mizuho Bank, Ltd. (formerly The Fuji Bank, Limited and Mizuho Corporate Bank Ltd.), it has been more than 15 years since his resignation in 2002. Also, the bank is not a business partner with which the Company has significant business transaction to impact on the Company's decision-making, and therefore the Company determined his status of independence from the Company is sufficiently ensured.</p>					

- (Note)
1. There is no special interest between the above candidate and the Company.
 2. The number of the Company's shares held by the candidate is shown including shares of stock in Officer's Shareholding Association.
 3. Shigeo Matsumoto is a candidate for Outside Statutory Auditor as stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
 4. The Company designated Shigeo Matsumoto as an Independent Statutory Auditor as defined by Tokyo Stock Exchange, Inc., and registered him with the Tokyo Stock Exchange as an Independent

Auditor. If the re-election of Shigeo Matsumoto is approved at this General Meeting of Shareholders, the Company will re-designate him as an Independent Auditor.

5. The term of office of Shigeo Matsumoto as Outside Statutory Auditor will be eight (8) years upon the conclusion of this General Meeting of Shareholders.
6. Pursuant to the Articles of Incorporation, the Company has entered into a contract with Shigeo Matsumoto, which provides that the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be up to the minimum liability amount specified in each item of Article 425, Paragraph 1 of the same law. If the re-election of Shigeo Matsumoto is approved at this General Meeting of Shareholders, the Company will continue the aforementioned liability limitation contract with him.

(Reference) Independence Criteria for Outside Officers

The Company has stipulated the criteria for the independence of Outside Officers as follows for the determination of their independence.

In principle, a person who does not fall under any of the following items at present or within the past three years

- (1) A party whose major business partner is the Company, or an executor of business thereof if the party is a corporation, etc.
- (2) A major business partner of the Company, or an executor of business thereof if the party is a corporation, etc.
- (3) A consultant, accounting specialist or legal specialist who receives a significant amount of money or other property from the Company other than the compensation from the Company as an Outside Officer.
- (4) An employee, etc. of the consulting firm, accounting office or law firm, etc. whose major business partner is the Company
- (5) A party who receives a significant amount of donation, etc. from the Company, or an executor of business thereof if the party is a corporation, etc.
- (6) A major shareholder (a party who holds more than 10% of the total voting rights) of the Company, or an executor of business thereof if the party is a corporation, etc.
- (7) A close relative of the following (excluding insignificant person)
 - A. A person who falls under (1) to (6) described above
 - B. A Director, Statutory Auditor, Operating Officer or important employee of the Company or its subsidiary