

Securities Code: 6250

March 7, 2018

To our shareholders:

Yoshiaki Nagao
Representative Director President & C.E.O.
YAMABIKO CORPORATION
1-7-2 Suehirocho, Ohme, Tokyo

Notice of the 10th Annual General Meeting of Shareholders

You are cordially invited to attend the tenth Annual General Meeting of Shareholders of YAMABIKO CORPORATION (the “Company”) to be held as indicated below.

If you are unable to attend the meeting, you may exercise your voting rights in writing. Please review the attached “Reference Documents for the General Meeting of Shareholders,” indicate “for” or “against” for each of the proposals in the enclosed voting form, and return the form to us no later than Wednesday, March 28, 2018, at 5:20 p.m. (JST).

- Please submit the enclosed voting form at the venue reception when attending the meeting.
- Notes to Consolidated Financial Statements and notes to Non-consolidated Financial Statements are not included in the attached materials because they are posted on the Company’s website in accordance with laws and regulations as well as Article 15 of the Articles of Incorporation.

Please note that the Consolidated Financial Statements and Non-consolidated Financial Statements included in the attached materials are part of the audited materials produced by the Audit & Supervisory Board Members and the Financial Auditor when creating audit reports.

- If modifications are made to the Reference Documents for the General Meeting of Shareholders, Business Reports, Consolidated Financial Statements or Non-consolidated Financial Statements, items with revisions will be posted on the Company’s website.

<<Company website>> <http://www.yamabiko-corp.co.jp/>

1. Date and Time: Thursday, March 29, 2018, at 10:00 a.m. (JST)

The date of the meeting for this fiscal year is apart from the corresponding date of the meeting for the last previous year (June 29, 2017) because the Company amended the end of its fiscal year from March 31 to December 31 effective from the tenth term (current fiscal year).

2. Venue: Conference room, third floor of the Company’s Head Office
1-7-2 Suehirocho, Ohme, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the tenth term (from April 1, 2017 to December 31, 2017), as well as the results of audit of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the tenth term (April 1, 2017 to December 31, 2017)

Matters to be resolved:

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| Proposal No. 1 | Election of Seven Directors |
| Proposal No. 2 | Election of One Substitute Audit & Supervisory Board Member |
| Proposal No. 3 | Determination of Amount and Content of Performance-linked and Share-based Remuneration, etc., for Directors |

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Election of Seven Directors

The terms of office of all eight Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of seven Directors.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company (Significant concurrent positions outside the Company)	Attribute of candidate	Attendance to Board of Directors meetings
1	Yoshiaki Nagao	Representative Director President & C.E.O.	Reelection	6/6 (100%)
2	Takanobu Tasaki	Representative Director, Executive Vice President Sales and Marketing & Corporate Planning; Division Officer of International Sales and Marketing DIV Chairman of ECHO Incorporated	Reelection	6/6 (100%)
3	Katsuyuki Maeda	Director, Senior Executive Managing Officer Engineering; Division Officer of Engineering DIV and General Manager of Institute of Electronics Research	Reelection	6/6 (100%)
4	Isao Takahashi	Director, Executive Managing Officer Internal Control; Division Officer of Product Service DIV	Reelection	6/6 (100%)
5	Tomohiko Hayashi	Director, Senior Managing Officer Division Officer of Sales and Marketing DIV CEO of YAMABIKO JAPAN CO., Ltd.	Reelection	5/6 (83.3%)
6	Kiyoshi Saito	Director Director & Senior Corporate Advisor of TACHI-S CO., LTD.	Reelection Outside Independent	6/6 (100%)
7	Tetsuo Yamashita	Director	Reelection Outside Independent	6/6 (100%)

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)		Number of the Company's shares owned
1	Yoshiaki Nagao (February 1, 1953) Reelection	Apr. 1978	Joined KIORITZ CORPORATION	39,668 shares
		Feb. 2006	Operating Officer President & C.E.O. of ECHO Incorporated	
		Feb. 2008	Director and Operating Officer of KIORITZ CORPORATION President & C.E.O. of ECHO Incorporated	
		Dec. 2008	President & C.E.O. of KIORITZ CORPORATION Operating Officer of the Company	
		Oct. 2009	Director, Operating Officer and Division Officer of Industrial Machinery DIV	
		June 2011	President & C.E.O. and Operating Officer	
		June 2012	Representative Director President & C.E.O. (current position)	
[Reasons for nomination as candidate for Director] Yoshiaki Nagao has abundant experience in operations in the engineering division of the Company. In addition, he has abundant experience as President at a local subsidiary in North America, which is a major market of the Company, and has full knowledge of operations in general and good insight. In consideration of his experience as top management, the Company has nominated him as a candidate for Director.				
2	Takanobu Tasaki (April 10, 1952) Reelection	Apr. 1978	Joined KIORITZ CORPORATION	32,152 shares
		Feb. 2007	Operating Officer in charge of Corporate Planning and General Manager of Corporate Planning DEPT	
		Feb. 2008	Operating Officer in charge of Corporate Planning & Internal Control & Quality Assurance and Division Officer of Corporate Planning DIV	
		Dec. 2008	Operating Officer in charge of Corporate Planning & Internal Control and General Manager of Corporate Planning DEPT General Manager of Corporate Planning DEPT of the Company	
		Oct. 2009	Director and Operating Officer in charge of Corporate Planning & Internal Control and General Manager of Corporate Planning DEPT	
		June 2011	Managing Director and Operating Officer in charge of Corporate Planning & Internal Control Chairman of ECHO Incorporated	
		Jan. 2012	Managing Director and Operating Officer in charge of Corporate Planning & Internal Control & System Development of the Company Chairman of ECHO Incorporated	
		June 2012	Director and Executive Managing Officer in charge of Corporate Planning & Internal Control & System Development of the Company Chairman of ECHO Incorporated	
		Apr. 2013	Director and Executive Managing Officer in charge of Sales and Marketing & System Development and Division Officer of International Sales and Marketing DIV of the Company Chairman of ECHO Incorporated (cont.)	

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Takanobu Tasaki (April 10, 1952) Reelection	June 2014 (cont.) Director and Senior Executive Managing Officer in charge of Sales and Marketing & System Development and Division Officer of International Sales and Marketing DIV of the Company Chairman of ECHO Incorporated	
		June 2016 Representative Director and Senior Executive Managing Officer in charge of Sales and Marketing & Corporate Planning and Division Officer of International Sales and Marketing DIV of the Company Chairman of ECHO Incorporated	
		June 2017 Representative Director, Executive Vice President in charge of Sales and Marketing & Corporate Planning and Division Officer of International Sales and Marketing DIV of the Company (current position) Chairman of ECHO Incorporated (current position)	
[Reasons for nomination as candidate for Director] Takanobu Tasaki has abundant experience in operations in the corporate planning & internal control division of the Company. In addition, he has abundant experience as President at a local subsidiary in North America, which is a major market of the Company, and has good insight. The Company has nominated him as a candidate for Director, since he would contribute to the Company group's further development.			
3	Katsuyuki Maeda (August 22, 1952) Reelection	Apr. 1977 Joined Shin-Daiwa Kogyo Co., Ltd.	26,300 shares
		June 1999 Director, Vice Division Officer of Engineering Research and Development DIV and Head of Central Research and Development Laboratory	
		June 2000 Director and Division Officer of Engineering Research and Development DIV	
		June 2006 Executive Director and Division Officer of Engineering Research and Development DIV	
		Dec. 2008 Managing Director and Operating Officer in charge of Engineering of the Company	
		Oct. 2009 Managing Director, Operating Officer and Division Officer of Engineering DIV	
		June 2012 Director, Executive Managing Officer and Division Officer of Engineering DIV	
		Jan. 2013 Director, Executive Managing Officer, Division Officer of Engineering DIV and General Manager of Institute of Electronics Research	
		June 2017 Director, Senior Executive Managing Officer in charge of Engineering, Division Officer of Engineering DIV and General Manager of Institute of Electronics Research (current position)	
[Reasons for nomination as candidate for Director] Katsuyuki Maeda has abundant experience in operations in the engineering division of the Company as well as good insight. The Company has nominated him as a candidate for Director, since he would contribute to the Company group's further development.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Isao Takahashi (March 4, 1955) Reelection	<p>Apr. 1975 Joined KIORITZ CORPORATION</p> <p>Feb. 2005 Director, Division Officer of Manufacturing DIV and Operating Officer</p> <p>Mar. 2006 Director, Division Officer of Manufacturing DIV and Operating Officer Chairman of KIORITZ ECHO MACHINERY (SHENZHEN) Co., Ltd. (current ECHO MACHINERY (SHENZHEN) Co., Ltd.)</p> <p>Oct. 2009 Operating Officer and Division Officer of Manufacturing DIV of the Company Chairman of ECHO MACHINERY (SHENZHEN) Co., Ltd.</p> <p>June 2010 Director, Operating Officer and Division Officer of Manufacturing DIV of the Company Chairman of ECHO MACHINERY (SHENZHEN) Co., Ltd.</p> <p>June 2012 Director, Senior Managing Officer and Division Officer of Manufacturing DIV of the Company Chairman of ECHO MACHINERY (SHENZHEN) Co., Ltd.</p> <p>Apr. 2013 Director and Senior Managing Officer in charge of International Manufacturing of the Company</p> <p>Apr. 2014 Director and Senior Managing Officer in charge of OPE International Manufacturing</p> <p>June 2014 Director and Executive Managing Officer in charge of OPE International Manufacturing</p> <p>Apr. 2016 Director, Executive Managing Officer in charge of Internal Control and Division Officer of Product Service DIV (current position)</p>	22,652 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Isao Takahashi has abundant experiences in operations in the manufacturing division of the Company and as a manager of overseas manufacturing subsidiaries of the Company, as well as good insight. The Company has nominated him as a candidate for Director, since he would contribute to the Company group's further development.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Tomohiko Hayashi (July 22, 1960) Reelection	Apr. 1984 Joined KIORITZ ECHO CORPORATION June 2008 CEO of TOBU KIORITZ ECHO CORPORATION June 2014 Operating Officer and Division Officer of Agricultural Machinery DIV of the Company June 2016 Director, Operating Officer and Division Officer of Agricultural Machinery DIV Mar. 2017 Director, Operating Officer and Vice Division Officer of Sales and Marketing DIV Apr. 2017 Director, Operating Officer and Vice Division Officer of Sales and Marketing DIV of the Company June 2017 CEO of YAMABIKO JAPAN CO., Ltd. Director, Senior Managing Officer and Vice Division Officer of Sales and Marketing DIV of the Company Jan. 2018 CEO of YAMABIKO JAPAN CO., Ltd. Director, Senior Managing Officer and Division Officer of Sales and Marketing DIV of the Company (current position) CEO of YAMABIKO JAPAN CO., Ltd. (current position)	5,600 shares
		[Reasons for nomination as candidate for Director] Tomohiko Hayashi has abundant experiences in operations in the agricultural machinery development division and the manufacturing division of the Company and as a manager of sales subsidiaries of the Company in Japan, as well as good insight. The Company has nominated him as a candidate for Director, since he would contribute to the Company group's further development.	
6	Kiyoshi Saito (January 25, 1947) Reelection Outside Independent	Mar. 1973 Joined Tachikawa Spring Corporation (current TACHI-S CO., LTD.) June 1982 Director June 1993 Executive Managing Director of Manufacturing DIV June 1996 Representative Director & President June 2001 Representative Director, President & COO June 2005 Representative Director, Chairman & CEO Apr. 2014 Representative Director & Chairman June 2014 Representative Director & Senior Corporate Advisor June 2014 Director of the Company (current position) June 2016 Director & Senior Corporate Advisor of TACHI-S CO., LTD. (current position)	4,000 shares
		[Reasons for nomination as candidate for outside Director] Kiyoshi Saito has broad knowledge and abundant experience cultivated over many years as corporate management in the manufacturing industry. The Company has nominated him as a candidate for outside Director, since he would utilize his knowledge and experience for the supervisory function of the Company.	

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Tetsuo Yamashita (September 28, 1948) Reelection Outside Independent	Apr. 1982 Registered as an attorney at law Jan. 1985 Established Yamashita Law Office (current Yamashita Nagai Law Office) June 1999 Audit & Supervisory Board Member of Shin-Daiwa Kogyo Co., Ltd. Dec. 2008 Audit & Supervisory Board Member of the Company June 2017 Director of the Company (current position)	28,600 shares
	[Reasons for nomination as candidate for outside Director] The Company has nominated Tetsuo Yamashita as a candidate for outside Director since he would directly contribute to improving the corporate value of the Company based on his proven track record that was achieved faithfully in his roles that included auditing the execution of duties by Directors according to his expert knowledge and wealth of practical experience as an attorney at law since his appointment as outside Audit & Supervisory Board Member of the Company in 2008. Although he has not been involved in corporate management other than having served as an outside officer, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.		

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Kiyoshi Saito is a candidate for outside Director. Kiyoshi Saito is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been three years and nine months.
 3. Tetsuo Yamashita is a candidate for outside Director. Tetsuo Yamashita is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been nine months.
 4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Kiyoshi Saito and Tetsuo Yamashita to limit their liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act. If they are reelected, the Company plans to renew the aforementioned limited liability agreement.
 5. The Company has submitted notification to the Tokyo Stock Exchange that Kiyoshi Saito and Tetsuo Yamashita have been appointed as independent officers as provided for by the aforementioned exchange. If they are reelected, the Company plans for their appointments as independent officers to continue.

Proposal No. 2 Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Hiroshi Kaimori (January 18, 1948)	July 2004 District Director of Kofu Tax Office July 2005 Deputy Assistant Regional Commissioner of Third Examination Group of Tokyo Regional Taxation Bureau July 2006 District Director of Nihonbashi Tax Office July 2007 Resigned from National Tax Agency Aug. 2007 Registered as a certified tax accountant Sept. 2007 Established Hiroshi Kaimori Certified Tax Accountant Office	0 shares
[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member] Hiroshi Kaimori has abundant experience as a tax accountant and knowledge in finance and accounting. Although he has not been involved in corporate management, the Company judges he will appropriately fulfill his duties as an outside Audit & Supervisory Board Member based on the above reasons.		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Hiroshi Kaimori is a candidate for substitute outside Audit & Supervisory Board Member.
 3. If Hiroshi Kaimori assumes the office of Audit & Supervisory Board Member, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act.

Proposal No. 3 Determination of Amount and Content of Performance-linked and Share-based Remuneration, etc., for Directors

1. Reason for proposal and grounds that make such a remuneration system reasonable

Remuneration for the Directors of the Company has been composed of fixed remuneration paid monthly in accordance with the position, etc. This proposal additionally requests the introduction of a new performance-linked and share-based remuneration system (hereinafter referred to as the “System”) for the Directors of the Company (excluding outside Directors). It should be noted that the details for this would be entrusted to the Board of Directors within the limits of 2. below.

The objective of the System is to enhance Directors’ awareness of contributing to improved performance in the medium and long term and increased corporate value by further clarifying the link between the Directors’ remuneration and the Company’s performance and share value, and by Directors’ sharing the benefits and risks of share price fluctuations with shareholders. Therefore, the Company deems that this remuneration system is appropriate.

This proposal requests approval to pay a new performance-linked and share-based remuneration to the Directors serving during the five year period from the fiscal year ending December 31, 2018 until the fiscal year ending December 31, 2022 (hereinafter referred to as the “Subject Period”), separately from the maximum limit of Directors’ remuneration (up to ¥300 million per year not including employee salary) approved at the 1st Annual General Meeting of Shareholders held in June 2009.

It should be noted that the System applies to five Directors if Proposal No. 1 “Election of Seven Directors” is approved as originally proposed.

2. Amount and content, etc., of remuneration, etc., in the System

(1) Overview of the System

The System is a share-based remuneration system in which a trust, established through contribution of money from the Company (hereinafter referred to as the “Trust”), acquires shares of the Company, and a number of the Company’s shares in accordance with the number of points granted to each Director (excluding outside Directors, hereinafter the same) will be delivered via the Trust.

It should be noted that the timing of the delivery of the Company’s shares to the Directors, in principle, shall be at the time the Director retires.

(i) Directors eligible for the System	Directors of the Company (excluding outside Directors)
(ii) Initial trust period	Approx. five years
(iii) Maximum amount of money to be contributed by the Company as the funds for the acquisition of the Company’s shares during the initial trust period in (ii)	Total of ¥1,250 million
(iv) Acquisition method of Company’s shares	Company’s shares are acquired either from the disposal of treasury shares or from the stock exchange (including after-hours trades)
(v) Maximum total number of points granted to Directors in (i)	45,000 points per fiscal year
(vi) Criteria for granting points	Points are granted based on the level of performance and achievement in goals, etc.
(vii) Time of delivery of Company’s shares to Directors in (i)	Upon retirement of the Director in principle

(2) Maximum amount of money to be contributed by the Company

The initial period of the Trust shall be approximately five years, and the Company shall contribute money in the maximum amount of ¥1,250 million as funds for the acquisition of the Company’s shares required for the delivery to Directors under the System during said trust period to use as remuneration for Directors serving during the Subject Period. The Trust whose beneficiaries are Directors that fulfill

certain criteria shall be established. The Trust shall acquire Company's shares using the funds entrusted by the Company through acquisition methods of either from the disposal of treasury shares or from the stock exchange (including after-hours trades).

Note: The money actually entrusted by the Company to the Trust, in addition to the aforementioned funds for the acquisition of shares of the Company, shall be the total amount of the expected necessary costs, such as trust fees and the trust manager's fee.

It should be noted that the System may be extended for the period of five years or less (including practical extension of the trust period by transferring trust assets of the Trust to a trust with the same purpose as the Trust established by the Company; the same shall apply hereinafter) upon the expiration of every trust period (the end of the trust period after extension if the System has been renewed by extending the trust period through the procedure below) to continue the System, by resolution of the Board of Directors of the Company. In such a case, the Company, as funds for the additional acquisition of the Company's shares that are required for the delivery of shares to Directors under the System, shall make an additional contribution of money to the Trust of up to the amount obtained by multiplying the number of years the trust period is extended by ¥250 million. In addition, in such a case, the Subject Period shall be extended in accordance with such continuation of the System and extensions of the trust period, and the granting of points and the delivery of the Company's shares stated in (3) below shall continue during the extended trust period.

In addition, even if the Subject Period is not extended and the System is not renewed as outlined above, upon the expiration of the trust period, in the event of there being a Director who has been granted points but has not yet retired, the trust period of the Trust may be extended until said Director has retired and the delivery of the Company's shares has been completed.

(3) Calculation method and maximum number of Company's shares to be delivered to Directors

(i) Granting method, etc., of points to Directors

The Company shall grant points based on criteria such as the level of performance and achievement in goals, etc. on the day to grant points prescribed in the Share Delivery Regulations during the trust period for each Director in accordance with the Share Delivery Regulations prescribed by the Board of Directors of the Company.

However, the total number of points granted by the Company to Directors shall be a maximum of 45,000 points per fiscal year.

(ii) Delivery of Company's shares in accordance with the number of points granted

Directors shall receive delivery of the shares of the Company in accordance with the number of points granted in (i) above, pursuant to the procedures of (iii) below.

It should be noted that one point is equivalent to one Company share. However, reasonable adjustments may be made in accordance with the split ratio or consolidation ratio, etc. in the event of a situation that can reasonably justify adjustment to the number of shares of the Company to be delivered, such as a share split or share consolidation.

(iii) Delivery of Company's shares to Directors

The delivery of the Company's shares to each Director as described in (ii) above shall be performed from the Trust by the Director concerned performing the prescribed beneficiary determination procedures at the time of retirement.

However, a portion of the Company's shares shall be delivered in money in lieu of the Company's shares realized through sale within the Trust for the purpose of a withholdings system by the Company for tax capital to pay withholding income taxes, etc. In addition, in cases in which the Company's shares held within the Trust are converted to cash, such as when a tender offer is subscribed to and settled for the Company's shares held within the Trust, money would be delivered in lieu of the Company's shares.

(4) Exercise of voting rights

Voting rights related to the Company's shares in the Trust shall not be exercised, without exception, at the instruction of the trust administrator who is independent from the Company and its officers. With that, it is intended to ensure the exercise of the voting rights related to the Company's shares in the Trust should be neutral from the management of the Company.

(5) Handling of dividends

Dividends related to the Company's shares in the Trust shall be received by the Trust to provide as money for the acquisition of Company's shares and for trust fees payable to the trustee of the Trust.