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(Securities code: 7283)
May 27, 2020

To Shareholders with Voting Rights:

Tokuhisa Nomura
President
AISAN INDUSTRY CO., LTD.
1-1-1 Kyowa-Cho, Obu, Aichi, Japan

Notice of the 118th Ordinary General Meeting of Shareholders

Dear Shareholders,

We would like to express our appreciation for your continued support and patronage.

The 118th Ordinary General Meeting of Shareholders (the “Meeting”) of Aisan Industry Co., Ltd. (the “Company”) will be held for the purposes as described below.

Recently, the Japanese government requested residents to refrain from going outside in order to prevent the spread of COVID-19. Given this situation, we have decided to hold the Meeting while taking appropriate measures to prevent infection.

In order to prevent the spread of infection, we encourage you to exercise your voting rights in writing or via the Internet in advance instead of attending the Meeting.

Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. Japan time on Thursday, June 11, 2020.

- 1. Date and Time:** Friday, June 12, 2020 at 10:00 a.m. Japan time
- 2. Place:** The Main Building of the Company located at 1-1-1 Kyowa-cho, Obu, Aichi, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated and Non-consolidated Financial Statements for the Company’s 118th Fiscal Year (April 1, 2019 - March 31, 2020)
 2. Results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 - Proposals to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Election of Six (6) Directors
 - Proposal No. 3:** Election of Five (5) Audit & Supervisory Board Members
 - Proposal No. 4:** Payment of Bonuses to Directors

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company strives to respond to the expectation of shareholders by comprehensively taking into account factors such as continued stable dividends, consolidated business performance and consolidated dividend payout ratio.

The Company proposes year-end dividend for the fiscal year under review as follows:

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and its total amount
7 yen per share of the Company's common stock
Total dividend amount: 440,943,447 yen
The annual dividend amount including the interim dividend for this fiscal year is 20 yen per share, decreasing by 7 yen year on year.
- (3) Effective date of the distribution of surplus
June 15, 2020

Proposal No. 2: Election of Six (6) Directors

The terms of office of all six (6) incumbent Directors will expire at the conclusion of the Meeting. Accordingly, the Company proposes to elect six (6) Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of the Company's shares held
1	Tokuhisa Nomura (December 16, 1960)	<p>April 1985 Joined Toyota Motor Corporation January 2008 General Manager, Vehicle Electronics Design Division January 2012 General Manager, Electronics Management Division April 2013 Executive General Manager; Field General Manager, Electronics Technology Field April 2016 Executive General Manager; Advanced R&D and Engineering Company June 2017 Executive Vice President; Vice President and Executive Officer, the Company June 2018 President (to present)</p> <p>[Responsibilities] Chief Executive Officer</p>	13,500
2	Toru Nakane (August 24, 1959)	<p>April 1980 Joined the Company June 2008 General Manager, Marketing & Sales Department I June 2010 Director June 2012 Executive Officer June 2013 Executive Officer, Member of the Board June 2014 Managing Executive Officer, Member of the Board June 2017 Senior Managing Executive Officer, Member of the Board April 2020 Vice President and Executive Officer, Member of the Board (to present)</p> <p>[Responsibilities] Assistant to President; Chief Operating Officer</p>	13,100
3	Akira Morimoto (September 26, 1965) New Appointment	<p>April 1988 Joined the Company January 2012 General Manager, Quality Control Department, Anjo Plant April 2015 Deputy Plant Manager, Honsha Plant June 2016 Executive Officer January 2019 Managing Executive Officer April 2020 Executive Officer (to present)</p> <p>[Responsibilities] In charge of Purchasing and Production; Chair, Value Chain Reform Promotion Committee</p>	6,200
4	Shigekazu Kato (April 14, 1964) New Appointment	<p>April 1987 Joined Toyota Motor Corporation January 2013 General Manager, Planning Department, Accounting Division January 2015 Executive Vice President, Toyota Motor (China) Investment Co., Ltd. April 2019 Executive Officer, the Company (to present)</p> <p>[Responsibilities] In charge of Administration and Cost Planning Section</p>	5,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of the Company's shares held
5	Yuichi Oi (August 17, 1954) New Appointment Outside Independent	<p>April 1978 Joined Toyota Tsusho Corporation March 2001 Manager, Global Logistics Management Department April 2006 Executive Officer June 2011 Managing Executive Officer June 2013 Managing Director April 2015 Senior Managing Director April 2017 Senior Managing Executive Officer, Member of the Board June 2017 Representative Director; Vice President and Executive Officer June 2019 Senior Executive Advisor (to present)</p> <p>[Significant concurrent positions] Senior Executive Advisor, Toyota Tsusho Corporation Outside Director, KIMURA UNITY CO., LTD. Outside Corporate Auditor, KYOWA LEATHER CLOTH CO., LTD.</p>	0
6	Satoe Tsuge (March 9, 1968) Outside Independent	<p>April 1990 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) April 1995 Registered as a certified public accountant January 1999 Representative, Tsuge CPA Office (to present) June 2007 Representative Director, La Vida Planning Co., Ltd. (to present) June 2015 Director, the Company (to present)</p> <p>[Significant concurrent positions] Representative, Tsuge CPA Office Representative Director, La Vida Planning Co., Ltd. Outside Director, FUJIKYU CORPORATION Outside Director, HOSHIZAKI CORPORATION</p>	0

- Notes:
1. There are no special interests between the Company and any of the candidates.
 2. Information on the candidates for Outside Directors are as follows:
 - (1) Mr. Yuichi Oi and Ms. Satoe Tsuge are candidates for Outside Directors.
The Company has designated Ms. Satoe Tsuge as an independent director provided by the Tokyo Stock Exchange and the Nagoya Stock Exchange and notified the Exchanges as such. The Company also plans to designate Mr. Yuichi Oi as an independent director and notify the Exchanges as such.
 - (2) Reasons for nomination as candidates for Outside Directors:
Mr. Yuichi Oi has abundant overseas experience and broad knowledge acquired by working for a general trading company, while Ms. Satoe Tsuge has expertise in finance and accounting as a certified public accountant. Therefore, the Company believes that they can provide suggestions and views on overall management in a fair and objective manner.
 - (3) Years served as Outside Director of the Company (up to the conclusion of the Meeting)
Ms. Satoe Tsuge: Five (5) years
 - (4) Outline of the liability limitation agreement
The Company has entered into an agreement with Ms. Satoe Tsuge to limit her liabilities under Article 423, Paragraph 1 of the Companies Act to the amount provided in Article 425, Paragraph 1 of the said Act. In the event that the election of Mr. Yuichi Oi is approved, the Company plans to enter into the said agreement with him as well.

Proposal No. 3: Election of Five (5) Audit & Supervisory Board Members

The terms of office of all five (5) incumbent Audit & Supervisory Board Members will expire at the conclusion of the Meeting. Accordingly, the Company proposes to elect five (5) Audit & Supervisory Board Members.

The Company has already obtained consent from the Audit & Supervisory Board in advance with respect to this Proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary, positions at the Company, and significant concurrent positions	Number of the Company's shares held
1	Takaaki Takagi (August 13, 1956)	<p>April 1979 Joined the Company June 2005 General Manager, Technical Planning Department August 2006 General Manager, Human Resources Department June 2007 Director June 2012 Managing Executive Officer, Member of the Board June 2015 Senior Managing Executive Officer, Member of the Board April 2019 Director June 2019 Audit & Supervisory Board Member (to present)</p>	28,800
2	Takanori Taga (March 22, 1959)	<p>April 1982 Joined the Company January 2010 General Manager, Power Train Compatibility Development Department April 2015 General Manager, System Development Department June 2015 Executive Officer April 2019 Advisor June 2019 Audit & Supervisory Board Member (to present)</p>	12,300
3	Yoshinori Hirano (February 2, 1952) <u>Outside</u> <u>Independent</u>	<p>November 1976 Joined Marunouchi Audit Corporation (currently Deloitte Touche Tohmatsu LLC) March 1982 Registered as a certified public accountant June 1995 Representative Partner October 2015 President, Yoshinori Hirano CPA Office (to present) June 2016 Audit & Supervisory Board Member, the Company (to present)</p> <p>[Significant concurrent positions] President, Yoshinori Hirano CPA Office Outside Audit & Supervisory Board Member, Kisoji Co., Ltd. Outside Director, KIMURA UNITY CO., LTD.</p>	0
4	Mitsumasa Yamagata (June 29, 1970) <u>Outside</u>	<p>April 1995 Joined Toyota Motor Corporation January 2018 Chief Engineer, Powertrain Product Planning Division January 2019 Field General Manager, Product Planning / System Development Field, Powertrain Company June 2019 Audit & Supervisory Board Member, the Company (to present) January 2020 Senior General Manager, Powertrain Planning & System Development Field, Vehicle Development Center, Toyota Motor Corporation (to present) Executive Vice President, Powertrain Company (to present)</p> <p>[Significant concurrent positions] Senior General Manager, Powertrain Planning & System Development Field, Vehicle Development Center, Toyota Motor Corporation Executive Vice President, Powertrain Company</p>	0

No.	Name (Date of birth)	Career summary, positions at the Company, and significant concurrent positions	Number of the Company's shares held
5	Yoji Matsuyama (July 1, 1969) New Appointment Outside	April 1992 Joined Toyota Motor Corporation April 2016 General Manager, Unit Parts Purchasing Division July 2019 Deputy Chief Officer, Purchasing Group (to present) [Significant concurrent positions] Deputy Chief Officer, Purchasing Group, Toyota Motor Corporation	0

- Notes:
1. There are no special interests between the Company and any of the candidates.
 2. Information on the candidates for Outside Audit & Supervisory Board Members is as follows:
 - (1) Mr. Yoshinori Hirano, Mr. Mitsumasa Yamagata and Mr. Yoji Matsuyama are candidates for Outside Audit & Supervisory Board Members. Mr. Mitsumasa Yamagata and Mr. Yoji Matsuyama hold senior professional/senior management positions (*kanbushoku* in Japanese) at Toyota Motor Corporation, a major counterparty of the Company. The Company has designated Mr. Yoshinori Hirano as an independent officer provided by the Tokyo Stock Exchange and the Nagoya Stock Exchange and notified the Exchanges as such.
 - (2) Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member:

Mr. Yoshinori Hirano has expertise in finance and accounting as a certified public accountant. Therefore, the Company believes that he can provide suggestions and views on overall management in a fair and objective manner.

Mr. Mitsumasa Yamagata and Mr. Yoji Matsuyama have abundant experience and knowledge in the automotive industry. Therefore, the Company believes that they can provide suggestions and views on overall management in a fair and objective manner.
 - (3) Years served as Outside Audit & Supervisory Board Member of the Company (up to the conclusion of the Meeting)

Mr. Yoshinori Hirano: Four (4) years

Mr. Mitsumasa Yamagata: One (1) year
 - (4) Outline of the liability limitation agreement

The Company has entered into agreements with Mr. Yoshinori Hirano and Mr. Mitsumasa Yamagata to limit their liabilities under Article 423, Paragraph 1 of the Companies Act to the amount provided in Article 425, Paragraph 1 of the said Act. In the event that the election of Mr. Yoji Matsuyama is approved, the Company plans to enter into the said agreement with him as well.

Proposal No. 4: Payment of Bonuses to Directors

In consideration of the business performance for the fiscal year under review and other matters, the Company proposes to pay Directors' bonuses of 43,500,000 yen (including 1,500,000 yen for Outside Directors) to six (6) Directors (including two (2) Outside Directors) in office at the end of the fiscal year under review.