

Stock Code:7250

May 25, 2018

To Our Shareholders:

Shinya Ogawa

President, Member of the Board

 **PACIFIC INDUSTRIAL CO. LTD.**

100 Kyutoku-Cho, Ogaki, Gifu, Japan

NOTICE OF THE 94TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you of the 94th Ordinary General Meeting of Shareholders to be held as follows.

If you are unable to attend the meeting, you can exercise your voting rights by mailing the enclosed Voting Rights Exercise Form or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights **no later than 17:00 on Friday, June 15, 2018(JST)**.

- 1. Date:** 10:00 am, Saturday, June 16, 2018
- 2. Place:** at the room Kyokko in OGAKI FORUM HOTEL.
2-31 Mangoku, Ogaki, Gifu, Japan

3. Objectives of the Meeting:

Reports:

- (1) Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board for the 94th Fiscal Term (from April 1, 2017 to March 31, 2018).
- (2) Financial Statements for the 94th Fiscal Term (from April 1, 2017 to March 31, 2018)

Agenda:

Proposal No.1: Distribution of Surplus

Proposal No.2: Election of Seven (7) Members of the Board

Proposal No.3: Election of One (1) Substitute Audit & Supervisory Board Member

- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk of the venue.
- If any corrections are made to the reference materials to be distributed at the shareholders' meeting, as well as the business report and statements of accounts (consolidated and non-consolidated), such corrections will also be listed on the following website.
- Notes to the consolidated and non-consolidated statements of accounts are listed on our website in accordance with law and with Article 14 of the Articles of Incorporation. The notes can be viewed online and, therefore, are not included in this notice or accompanying materials. The consolidated and non-consolidated statements of accounts audited by the accounting auditor and the audit & supervisory board include the notes listed on the website as well as the contents of this notice and accompanying materials. (Japanese only)

website: <http://www.pacific-ind.co.jp/investor/meeting/>

Guide to Exercising Voting Rights

If you are attending the Meeting :

Date and time of Meeting : 10 a.m., June 16, 2018

Mailing :

Deadline for exercising voting rights : Must be received by 5:00 p.m., June 15, 2018

Internet :

Deadline for exercising voting rights : Until 5:00 p.m., June 15, 2018

Proposal No.1: Distribution of Surplus

The Company intends to maintain a policy of stable improvement of the dividend level with due consideration of operation results and the payout ratio for the distribution of profits of shareholders.

To improve the value of the Company and secure the profits for shareholders, internal reserves will be utilized for investment and future business development to reinforce and improve the corporate quality.

Based on the policy, to respond the support of shareholders, we hereby propose that you approve the fiscal year-end dividend for this fiscal year as described below.

1. Type of property for dividends: Money
2. Allotment of property for dividends to shareholders and total amount thereof:
14 yen per share of the Company's common stock
Total amount 850,029,544 yen
Note: The annual dividend proposed for the fiscal year, including the interim dividend, is 28 yen per share.
3. Effective date of the dividends from surplus: June 18, 2018


Proposal No.2: Election of Seven (7) Members of the Board

The term of all of seven (7) current members of the board expires at the conclusion of this 94th Ordinary General Meeting of Shareholders. We hereby propose that you elect seven (7) members of the board.


The nominees for members of the board are as follows:

Nominee NO.		Name	Current posts, assignments in the Company and attribute	Board Meeting attendance in fiscal year 2017
1	Reappointment	Shinya Ogawa	President, Member of the Board	16/16 (100%)
2	Reappointment	Takayuki Ishizuka	Executive Vice President, Member of the Board General Manager, Stamping & Plastic Molding Business Unit In charge of cost	16/16 (100%)
3	Reappointment	Tetsushi Ogawa	Senior Managing Officer, Member of the Board General Manager, Planning & Administration Center General Manager, Strategic Production Planning Center In charge of Corporate Ethics, Safety & Health, Information Systems, Environment, EMS, Risk Management and Manufacturing	16/16 (100%)
4	Reappointment	Katsuya Suzuki	Senior Managing Officer, Member of the Board General Manager, Technical Planning Center Deputy General Manager, Stamping & Plastic Molding Business Unit In charge of quality assurance and QMS	14/16 (88%)
5	Reappointment	Hisashi Kayukawa	Managing Officer, Member of the Board General Manager, Valve & TPMS Business Unit Deputy General Manager, Technical Planning Center	15/16 (94%)
6	Reappointment	Hiroshi Kurokawa	Outside Board Member and Independent Officer	16/16 (100%)
7	Reappointment	Osamu Motojima	Outside Board Member and Independent Officer	16/16 (100%)


1. Shinya Ogawa (September 8, 1947) Reappointment

	<p>■ Brief personal history, posts and assignments in the Company</p>															
	<table> <tr> <td>April 1973:</td> <td>Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation)</td> </tr> <tr> <td>January 1981:</td> <td>Left Toyota Motor Co., Ltd.</td> </tr> <tr> <td>February 1981:</td> <td>Joined Pacific Industrial Co., Ltd.</td> </tr> <tr> <td>June 1983:</td> <td>Member of the Board</td> </tr> <tr> <td>June 1985:</td> <td>Managing Officer, Member of the Board</td> </tr> <tr> <td>March 1989:</td> <td>Senior Managing Officer, Member of the Board</td> </tr> <tr> <td>February 1990:</td> <td>Executive Vice President, Member of the Board</td> </tr> <tr> <td>June 1996:</td> <td>President, Member of the Board (current position)</td> </tr> </table>	April 1973:	Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation)	January 1981:	Left Toyota Motor Co., Ltd.	February 1981:	Joined Pacific Industrial Co., Ltd.	June 1983:	Member of the Board	June 1985:	Managing Officer, Member of the Board	March 1989:	Senior Managing Officer, Member of the Board	February 1990:	Executive Vice President, Member of the Board	June 1996:
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February 1981:	Joined Pacific Industrial Co., Ltd.															
June 1983:	Member of the Board															
June 1985:	Managing Officer, Member of the Board															
March 1989:	Senior Managing Officer, Member of the Board															
February 1990:	Executive Vice President, Member of the Board															
June 1996:	President, Member of the Board (current position)															
<p>■ Number of the Company's shares owned: 1,444,549</p>																
<p>■ Reason that the Company appointed Shinya Ogawa as a candidate for member of the board:</p> <p>President Shinya Ogawa has led our long-term management plan "PACIFIC GLOCAL VISION 2020," and has advanced the Company's growth and development through management with consideration given to all stakeholders. He has good insight and abundant experience as a corporate manager, which is proven by his past achievements, so we appointed him as a candidate.</p>																

2. Takayuki Ishizuka (December 16, 1948) Reappointment

	<p>■ Brief personal history, posts , assignments in the Company and Important posts concurrently held at other organizations</p>													
	<table> <tr> <td>May 1973:</td> <td>Joined Pacific Industrial Co., Ltd.</td> </tr> <tr> <td>June 2004:</td> <td>Operating Officer</td> </tr> <tr> <td>June 2007:</td> <td>Managing Officer</td> </tr> <tr> <td>June 2008:</td> <td>Managing Officer, Member of the Board</td> </tr> <tr> <td>June 2009:</td> <td>Senior Managing Officer, Member of the Board</td> </tr> <tr> <td>June 2015:</td> <td>Executive Vice President, Member of the Board</td> </tr> <tr> <td>January 2018:</td> <td>Executive Vice President, Member of the Board General Manager, Stamping & Plastic Molding Business Unit In charge of cost (current position)</td> </tr> </table>	May 1973:	Joined Pacific Industrial Co., Ltd.	June 2004:	Operating Officer	June 2007:	Managing Officer	June 2008:	Managing Officer, Member of the Board	June 2009:	Senior Managing Officer, Member of the Board	June 2015:	Executive Vice President, Member of the Board	January 2018:
May 1973:	Joined Pacific Industrial Co., Ltd.													
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June 2007:	Managing Officer													
June 2008:	Managing Officer, Member of the Board													
June 2009:	Senior Managing Officer, Member of the Board													
June 2015:	Executive Vice President, Member of the Board													
January 2018:	Executive Vice President, Member of the Board General Manager, Stamping & Plastic Molding Business Unit In charge of cost (current position)													
<p>■ Important post concurrently held at another corporation: President, Taiheiyo Sangyo Co., Ltd.</p>														
<p>■ Number of the Company's shares owned: 28,200</p>														
<p>■ Reason that the Company appointed Takayuki Ishizuka as a candidate for member of the board:</p> <p>Takayuki Ishizuka has been involved in the sales and production departments for many years and created a good relationship with customers, as well as showing strong leadership to reinforce business. He is currently serving as Vice President to assist the President, and has abundant work experience and the knowledge for general sales and production operations, so we appointed him as a candidate.</p>														


3. Tetsushi Ogawa (August 16, 1978) Reappointment

	<p>■ Brief personal history, posts and assignments in the Company</p>
	<p>April 2005: Joined Toyota Motor Corporation December 2010: Left Toyota Motor Corporation January 2011: Joined Pacific Industrial Co., Ltd. June 2011: Operating Officer June 2013: Managing Officer June 2015: Senior Managing Officer, Member of the Board January 2018: Senior Managing Officer, Member of the Board General Manager, Planning & Administration Center General Manager, Strategic Production Planning Center In charge of Corporate Ethics, Safety & Health, Information Systems, Environment, EMS, Risk Management and Manufacturing (current position)</p>
<p>■ Number of the Company's shares owned: 65,695</p>	
<p>■ Reason that the Company appointed Tetsushi Ogawa as a candidate for member of the board: As an Officer in charge of production planning, Tetsushi Ogawa has led the production site improvement to enhance safety, health, and risk management as an Officer in charge of production planning, and has committed himself to making and implementing a management plan of Pacific Industrial Co., Ltd. and strengthening the governance system as an Officer supervising the headquarters' departments. He has diverse views, including Kaizen Mind, as well as excellent insight, so we appointed him as a candidate.</p>	


4. Katsuya Suzuki (August 26, 1955) Reappointment

	<p>■ Brief personal history, posts and assignments in the Company</p>
	<p>April 1979: Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation) January 2002: General manager, Body Department, Tsutsumi Plant January 2003: General manager, Stamping Production Technology Department January 2005: General manager, Body Department, Tahara Plant January 2009: Seconded to Pacific Industrial Co., Ltd. Managing Officer of Pacific Industrial Co., Ltd. June 2009: Left Toyota Motor Corporation Managing Officer, Member of the Board June 2015: Senior Managing Officer, Member of the Board January 2018: Senior Managing Officer, Member of the Board General Manager, Technical Planning Center Deputy General Manager, Stamping & Plastic Molding Business Unit In charge of technology ,quality assurance and QMS (current position)</p>
<p>■ Number of the Company's shares owned: 17,800</p>	
<p>■ Reason that the Company appointed Katsuya Suzuki as a candidate for member of the board: Katsuya Suzuki has been involved in the technology development, production engineering, and production departments for many years, and has worked to develop and produce high-value-added products. In addition, as an Officer in charge of quality assurance, he contributed to building a quality management system and has gained abundant experience and professional knowledge, so we appointed him as a candidate.</p>	


5. Hisashi Kayukawa (October 24, 1957) Reappointment

	<p>■ Brief personal history, posts and assignments in the Company</p>
	<p>March 1980: Joined Pacific Industrial Co., Ltd. June 2009: Operating Officer June 2013: Managing Officer June 2015: Managing Officer ,Member of the Board January 2018: Managing Officer , Member of the Board General Manager, Valve & TPMS Business Unit Deputy General Manager, Technical Planning Center (current position)</p>
<p>■ Number of the Company's shares owned: 36,000</p>	
<p>■ Reason that the Company appointed Hisashi Kayukawa as a candidate for member of the board: Hisashi Kayukawa has been involved in all production related phases, from development, design, production engineering, and through to production for many years, and has worked on advanced technology development with his abundant experience and knowledge, taking the lead to enhance the Company's technology. We appointed him as a candidate, because of his abundant experience and professional knowledge in this area.</p>	

6. Hiroshi Kurokawa (June 28, 1944) Reappointment, Outside Board Member and Independent Officer

	<p>■ Brief personal history, posts, assignments in the Company and Important posts concurrently held at other organizations</p>
	<p>April 1991: Professor, Faculty of Economics,Gifu Keizai University April 1995: Professor, Faculty of Business Administration, Gifu Keizai University December 2001: Dean, Faculty of Business Administration,Gifu Keizai University February 2003: President, Gifu Keizai University June 2010: Member of the Board, Pacific Industrial Co., Ltd. (current position) April 2013: Part-time Lecturer, Gifu College of Nursing April 2013: Professor Emeritus, Gifu Keizai University(current position)</p>
<p>■ Duration of assignment of Outside Board Member: Eight (8) years (at the conclusion of this 94th Ordinary General Meeting of Shareholders)</p>	
<p>■ Board Meeting attendance in fiscal year 2017: 16/16 (100%)</p>	
<p>■ Important post concurrently held at another organization: Professor Emeritus, Gifu Keizai University</p>	
<p>■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd. The Company and the organization that Hiroshi Kurokawa concurrently holds an important post have no capital or other business relationship.</p>	
<p>■ Reason that the Company appointed Hiroshi Kurokawa as a candidate for Outside Board Member and reason that the Company judged that he can properly perform the task as Outside Board Member : As an expert in economics and management, Hiroshi Kurokawa has abundant experience and a high level of academic knowledge. In addition, he has been supervising management from an objective standpoint with academic views, by using advanced knowledge he obtained when managing the university as a university president. We appointed him as a candidate, because of his professional knowledge and experience in management.</p>	
<p>■ Number of the Company's shares owned: 0</p>	

7. Osamu Motojima (December 5, 1948) Reappointment, Outside Board Member and Independent Officer

	<p>■ Brief personal history, posts, assignments in the Company and important posts concurrently held at other organizations</p>																									
	<table border="0"> <tr> <td>July 1987:</td> <td>Professor, Kyoto University, Plasma Physics Laboratory</td> </tr> <tr> <td>April 1988:</td> <td>Professor, Institute of Plasma Physics, Nagoya University</td> </tr> <tr> <td>April 1998:</td> <td>Scientific Advisor, Ministry of Education, Science and Culture</td> </tr> <tr> <td>April 2002:</td> <td>Director-General, National Institute for Fusion Science</td> </tr> <tr> <td>April 2004:</td> <td>Vice President, National Institutes of Natural Sciences</td> </tr> <tr> <td>March 2009:</td> <td>Foreign Member, The Royal Swedish Academy of Engineering Sciences (current position)</td> </tr> <tr> <td>April 2009:</td> <td>Professor Emeritus, National Institutes for Fusion Science (current position)</td> </tr> <tr> <td>May 2009:</td> <td>President, Future Energy Research Association (current position)</td> </tr> <tr> <td>July 2010:</td> <td>Director General, ITER International Fusion Energy Organization</td> </tr> <tr> <td>June 2013:</td> <td>Professor Emeritus, The Graduate University for Advanced Studies (current position)</td> </tr> <tr> <td>March 2015:</td> <td>Director General Emeritus, ITER International Fusion Energy Organization (current position)</td> </tr> <tr> <td>June 2015:</td> <td>Member of the Board, Pacific Industrial Co., Ltd. (current position)</td> </tr> <tr> <td>December 2015:</td> <td>Advisor to the Chairman, Chubu University (current position)</td> </tr> </table>	July 1987:	Professor, Kyoto University, Plasma Physics Laboratory	April 1988:	Professor, Institute of Plasma Physics, Nagoya University	April 1998:	Scientific Advisor, Ministry of Education, Science and Culture	April 2002:	Director-General, National Institute for Fusion Science	April 2004:	Vice President, National Institutes of Natural Sciences	March 2009:	Foreign Member, The Royal Swedish Academy of Engineering Sciences (current position)	April 2009:	Professor Emeritus, National Institutes for Fusion Science (current position)	May 2009:	President, Future Energy Research Association (current position)	July 2010:	Director General, ITER International Fusion Energy Organization	June 2013:	Professor Emeritus, The Graduate University for Advanced Studies (current position)	March 2015:	Director General Emeritus, ITER International Fusion Energy Organization (current position)	June 2015:	Member of the Board, Pacific Industrial Co., Ltd. (current position)	December 2015:
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June 2015:	Member of the Board, Pacific Industrial Co., Ltd. (current position)																									
December 2015:	Advisor to the Chairman, Chubu University (current position)																									
<p>■ Duration of assignment of Outside Board Member: Three (3) years (at the conclusion of this 94th Ordinary General Meeting of Shareholders)</p>																										
<p>■ Board Meeting attendance in fiscal year 2017: 16/16 (100%)</p>																										
<p>■ Important posts concurrently held at other organizations:</p> <p>Professor Emeritus, National Institutes for Fusion Science President, Future Energy Research Association Professor Emeritus, The Graduate University for Advanced Studies Director General Emeritus, ITER International Fusion Energy Organization Advisor to the Chairman, Chubu University</p>																										
<p>■ The relationship between the organizations that he concurrently holds an important post and Pacific Industrial Co., Ltd.</p> <p>The Company and the organizations that Osamu Motojima concurrently holds an important post have no capital or other business relationship.</p>																										
<p>■ Reason that the Company appointed Osamu Motojima as a candidate for Outside Board Member and reason that the Company judged that he can properly perform the task as Outside Board Member :</p> <p>The Company proposes that we elect Osamu Motojima as Outside Board Member because he has experience in acting as a professor at universities and specialized agencies for many years as well as Director-General of National Institute for Fusion Science and Director General of ITER. He has abundant international experiences and advanced special knowledge of environment and technologies.</p>																										
<p>■ Number of the Company's shares owned: 0</p>																										

Note:

1. No nominee has any special interest in the Company.
2. Hiroshi Kurokawa and Osamu Motojima are the nominees for outside board members. Hiroshi Kurokawa and Osamu Motojima have filed as an independent officer to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. When they are elected as an outside board member as proposed, they will continuously perform as an independent officer.
- 3 Liability limitation agreement with outside board members

The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside board members. When the appointment of Hiroshi Kurokawa and Osamu Mtojima are approved, at the assignment of outside board member, the Company intends to extend the liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over 2 million yen or the legal minimum liability.


Proposal No.3: Election of One (1) Substitute Audit & Supervisory Board Member

We hereby propose that we elect a substitute audit & supervisory board member to avoid the situation that the Company does not satisfy the legal requirement for the number of audit & supervisory board members.

For this agenda, we have received consent of the Audit & Supervisory Board.

The nominee for the substitute audit & supervisory board member is as follows:

Toshio Kinjo (August 9, 1932) Substitute Outside Audit & Supervisory Board Member

	■ Brief personal history, posts, assignments in the Company and important post concurrently held at another organization
	April 1988: Dean, Department of Agriculture, Gifu University June 1995: President, Gifu University May 2001: Professor Emeritus, Gifu University (current position) July 2001: Chairman, Gifu Research and Development Foundation June 2002: Audit & Supervisory Board Member, Pacific Industrial Co., Ltd.
■ Important post concurrently held at another organization: Professor Emeritus, Gifu University	
■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd. The Company and the organizations that Toshio Kinjo, a nominee for substitute outside audit & supervisory board member, concurrently holds an important post have no capital or other business relationship.	
■ Reason that the Company appointed Toshio Kinjo as a candidate for Substitute Outside Audit & Supervisory Board Member and reason that the Company judged that he can properly perform the task as Outside Audit & Supervisory Board Member : We hereby propose that we elect Toshio Kinjo as a substitute outside audit & supervisory board member because he has acted as outside audit & supervisory board member of the Company for many years and has abundant experiences and excellent insight.	
■ Number of the Company's shares owned: 0	

Note:

1. No nominee has any special interest in the Company.
2. Liability limitation agreement with outside audit & supervisory board member

The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside audit & supervisory board member. When the appointment of Toshio Kinjo is approved, at the assignment of outside audit & supervisory board member, the Company intends to conclude a liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over 2 million yen or the legal minimum liability.