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(Stock Exchange Code 7241)  
June 7, 2016

**To Shareholders with Voting Rights:**

Yasuhiro Mishima  
President  
Futaba Industrial Co., Ltd.  
Azaochaya 1, Hashime-cho, Okazaki-shi,  
Aichi

**NOTICE OF  
THE 102ND ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 102nd Annual General Meeting of Shareholders of Futaba Industrial Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or through the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights in accordance with the guidance below by 4:45 p.m. on Thursday, June 23, 2016, Japan time.

**1. Date and Time:** Friday, June 24, 2016 at 10:00 a.m. Japan time

**2. Place:** Concert Hall, 4F, Okazaki City Civic Center,  
15, Azakitono, Hane-cho, Okazaki-shi, Aichi, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 102nd Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 102nd Fiscal Year (April 1, 2015 - March 31, 2016)

**Proposals to be resolved:**

- Proposal 1:** Election of 8 Directors  
**Proposal 2:** Election of 2 Audit & Supervisory Board Members  
**Proposal 3:** Payment of Retirement Bonuses to Retiring Directors

**4. Information for Exercising Voting Rights**

(1) Exercising Voting Rights in Writing

Please indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form, and return by mail so that it will arrive by 4:45 p.m. on Thursday, June 23, 2016, Japan time.

(2) Exercising Voting Rights through the Internet.

If exercising voting rights via the Internet, please review the "Guidance on Exercise of Voting Rights via the Internet" (available in Japanese only) and exercise your voting rights by 4:45 p.m. on Thursday, June 23, 2016, Japan time.

(3) If voting rights are exercised multiple times, the final exercise to arrive at the Company shall be deemed the valid exercise of voting rights. Additionally, if the exercise of voting rights via the Internet and in writing via the Voting Rights Exercise Form arrive on the same date, the voting rights exercised via the Internet shall be deemed the valid exercise of voting rights.

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- ⊙ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ⊙ Should the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<http://www.futabasangyo.com>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Election of 8 Directors

The terms of office of all 10 Directors will expire at the conclusion of this General Meeting. To achieve strengthening of supervision toward execution and increase the speed of execution, the Company proposes to increase the number of Outside Directors from one person to two persons, and decrease the number of Inside Directors from nine persons to six persons. Accordingly, the Company proposes the election of eight persons, including two Outside Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hiroyoshi Yoshiki (January 4, 1957)	<p>April 1980      Joined Toyota Motor Co., Ltd. January 2001    Vice President, Toyota Motor Manufacturing, Kentucky, Inc. January 2007    General Manager, Plant Administration Div., Kinuura Plant, Toyota Motor Corporation June 2009      Managing Officer June 2010      Plant General Manager, Kinuura Plant April 2011      Deputy Chief Officer, Technical Administration Group January 2012    Chief Officer, Technical Administration Group April 2015      Corporate Adviser, the Company June 2015      Representative Director and Senior Executive Vice President (to the present)</p> <p>[Responsibilities at the Company] Chief of Production Center, Chiryu Plant, Kota Plant, Tahara Plant</p>	21,600
2	Mikio Iwatsuki (September 10, 1957)	<p>April 1981      Joined the Company November 2002   General Manager, Engineering Div., Mutsumi Plant July 2006      Counselor, Information &amp; Environmental Equipment Div., Mutsumi Plant July 2008      Officer, Information &amp; Environmental Equipment Div., Mutsumi Plant June 2010      Director June 2013      Director Managing Executive Officer June 2015      Director Senior Managing Executive Officer (to the present)</p> <p>[Responsibilities at the Company] Deputy Chief of Production Center, Okazaki Plant, Mutsumi Plant, Health &amp; Safety Control Office, Production &amp; Logistics Control Div., Kaizen Promotion Office</p>	16,400

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Takayuki Yoshida (May 21, 1958)	<p>April 1981      Joined the Company November 2008   Chief, Product Planning Office July 2010      Officer, Product Planning Office July 2011      Deputy Chief, Engineering Center, and Officer, Product Planning Office June 2012      Director June 2013      Director Managing Executive Officer (to the present)</p> <p>[Responsibilities at the Company] Chief of Engineering Center, Engineering Integrated Div., Environmental &amp; Energy-Saving Equipment Development Div., Exhaust System Development Div., Vehicle Function System Development Div., Performance Development Div., Exhaust Parts Business Reform Promotion Office</p>	7,000
4	Tomohiro Takahashi (June 1, 1960)	<p>April 1984      Joined Toyota Motor Corporation January 2007    General Manager, Purchasing Dept. No. 3, Purchasing Div. No. 2, Global Purchasing Center January 2008    General Manager, Body Parts Dept. No. 2, Body Parts Purchasing Div., Purchasing Group January 2010    General Manager, Purchasing Control Dept. April 2011      Officer, Planning Center, the Company July 2011      Officer, Deputy Chief, Planning Center June 2012      Director June 2013      Director Managing Executive Officer (to the present)</p> <p>[Responsibilities at the Company] Chief of Planning Center, Chief of Purchasing Center, Management Planning Office, Business Planning Office, Purchasing Planning Office, Parts Purchasing Div., Material &amp; Tooling &amp; Equipment Purchasing Div.</p>	11,500
5	Keita Asakawa (February 18, 1960)	<p>November 1985   Joined the Company November 2008   General Manager, Overseas Business Management Office July 2009      Officer, Overseas Business Planning Div. January 2011    President, FUTABA CZECH, S.R.O. July 2012      Senior Officer June 2014      Managing Executive Officer June 2015      Director Managing Executive Officer (to the present)</p> <p>[Responsibilities at the Company] Chief of Sales Center, Sales Planning Office, Sales Management Div. 1, Sales Management Div. 2</p>	5,700
6	Fumio Ohashi (August 23, 1960)	<p>April 1984      Joined Toyota Motor Corporation January 2004    General Manager, Financial Planning Dept., Finance Div. January 2005    General Manager, Funds &amp; Foreign Exchange Management Dept., Finance Div. January 2006    General Manager, Funds Management Dept., Accounting Div. January 2007    General Manager, Accounting Dept., Technical Administration Div. January 2009    Corporate Secretary and Treasurer, Toyota Motor Manufacturing Canada Inc. January 2014    General Manager, Global Audit Dept., Toyota Motor Corporation June 2015      Corporate Adviser, the Company June 2015      Director Managing Executive Officer (to the present)</p> <p>[Responsibilities at the Company] Chief of Accounting &amp; Finance Center, General Accounting Div., Cost Planning Div.</p>	4,800

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Kiyoshi Kinoshita (July 5, 1944)	<p>April 1967      Joined Toyota Motor Co., Ltd.</p> <p>June 1996      General Manager, Production Control Div., Toyota Motor Corporation</p> <p>June 1997      Audit &amp; Supervisory Board Member</p> <p>June 2000      Representative Director and Executive Vice President, TOKAI RIKA CO., LTD.</p> <p>June 2004      President and Representative Director</p> <p>June 2010      Chairman of the Board and Representative Director</p> <p>June 2011      Chairman of the Board, Representative Director and Corporate Officer</p> <p>June 2013      Corporate Senior Adviser</p> <p>June 2014      Director, the Company (to the present)</p>	6,800
8	* Masaki Horie (November 25, 1949)	<p>April 1973      Joined Price Waterhouse Japan</p> <p>November 1980      Joined Itoh Audit Corporation</p> <p>July 1997      Representative Partner, Itoh Audit Corporation</p> <p>January 2001      Representative Partner, Chuo Aoyama Audit Corporation</p> <p>September 2006      Representative Partner, PricewaterhouseCoopers Aarata</p> <p>July 2010      Established Masaki Horie C.P.A. Office (to the present)</p> <p>June 2011      Audit &amp; Supervisory Board Member, TOKAI RIKA CO., LTD.</p> <p>June 2015      Audit &amp; Supervisory Board Member, the Company (to the present)</p>	0

(Notes)

1. There are no special interests between each candidate and the Company.
2. \* indicates a new candidate.
3. Mr. Kiyoshi Kinoshita and Mr. Masaki Horie are both candidates for Outside Directors.
4. Reasons for appointment as candidates for Outside Directors  
Candidate for Director Kiyoshi Kinoshita has a wealth of experience and wide insights, etc., as a manager of TOKAI RIKA CO., LTD., and to reflect these in the Company's management, his election as Outside Director is proposed.  
Candidate for Director Masaki Horie has reflected his specialized intellect and knowledge as a certified public accountant in audits of the Company during his term of office as Outside Audit & Supervisory Board Member of the Company, and has adequately fulfilled his duties. Additionally, as he is well-versed in the business contents of the Company through audits, and to utilize this specialized intellect and knowledge in the supervision of management of the Company in the future, his election as Outside Director is requested.
5. Cases where candidates for Outside Director were appointed Director, Executive, or Audit & Supervisory Board Member of another company within the past five years and facts regarding violation of laws and regulations or the Articles of Incorporation during the term of office at said company and facts regarding other false business execution.  
During the term of office of Mr. Kiyoshi Kinoshita as Chairman and Representative Director of TOKAI RIKA CO., LTD., an investigation was made by the United States Department of Justice for allegations of violation of the United States Antitrust Act regarding the sale of certain automobile components, and in October 2012, a plea bargain agreement was concluded with said Department.
6. The Company has concluded with Mr. Kiyoshi Kinoshita a limited liability agreement pursuant to Article 423, Paragraph 1 of the Companies Act to limit the liability under the total amount stipulated in Article 425, Paragraph 1 of the Companies Act, and if his reappointment is approved, the Company plans to continue this agreement. Additionally, although the Company had concluded a limited liability agreement with Mr. Masaki Horie as an Audit & Supervisory Board Member, pursuant to Article 423, Paragraph 1 of the Companies Act to limit liability under the total amount stipulated in Article 425 Paragraph 1 of the Companies Act, if his election is approved, the Company plans to conclude a new liability limitation agreement with him as Director.
7. The number of years since assuming office as Outside Director for Outside Directors of the Company will be two years for Mr. Kiyoshi Kinoshita as of the conclusion of this Annual General Meeting of Shareholders. Additionally, Mr. Masaki Horie is currently an Outside Audit & Supervisory Board Member of the Company, and the number of years since he has assumed office as Outside Audit & Supervisory Board Member will be one year as of the conclusion of this Annual General Meeting of Shareholders.
8. The Company has designated candidates for Director Kiyoshi Kinoshita and Masaki Horie as Independent Directors/Auditors based on the definitions of the Tokyo Stock Exchange, Inc. and the Nagoya Stock Exchange, Inc., and has made submissions to both Exchanges.

**Proposal 2: Election of 2 Audit & Supervisory Board Members**

Both Audit & Supervisory Board Members Toshiaki Tamaki and Masaki Horie will retire via resignation at the conclusion of this General Meeting. Accordingly, the Company proposes the election of two Audit & Supervisory Board Members. The Audit & Supervisory Board has previously given its approval to this proposal.

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

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	* Hitoshi Suzuki (April 15, 1954)	November 1977 Joined Coopers & Lybrand Japan July 1981 Joined Itoh Audit Corporation July 1989 Established Hitoshi Suzuki C.P.A. Office (to the present) June 2006 Audit & Supervisory Board Member, AICHI KAIUN CO.,LTD. (to the present) August 2014 Audit & Supervisory Board Member, DOMY CO., LTD. (to the present)	0
2	* Toshiyuki Isobe (October 14, 1964)	April 1987 Joined Toyota Motor Corporation January 2008 General Manager, Body Engineering Dept., Body Assembly Engineering Div. January 2011 Project General Manager, Vehicle Development Promotion Dept., Vehicle Quality & Production Engineering Div. January 2012 General Manager, Project Dept. No. 2, Project Planning & Management Div. January 2013 General Manager, Operation Reform Promotion Dept., Project Planning & Management Div. January 2014 General Manager, Project Planning & Management Div. April 2016 Executive General Manager (to the present)	0

(Notes)

1. There are no special interests between each candidate and the Company.
2. \* indicates a new candidate.
3. Mr. Hitoshi Suzuki and Mr. Toshiyuki Isobe are both candidates for Outside Audit & Supervisory Board Members.
4. Reasons for appointment as candidates for Outside Audit & Supervisory Board Members  
By reflecting his specialized intellect and knowledge, etc., as a certified public accountant in the audit of the Company, the Company has judged that candidate for Audit & Supervisory Board Member Hitoshi Suzuki can appropriately execute the duties of Outside Audit & Supervisory Board Member of the Company.  
Candidate for Audit & Supervisory Board member Toshiyuki Isobe has intellect and insight fostered for many years at Toyota Motor Corporation, and the Company has judged that he can appropriately execute the duties of Outside Audit & Supervisory Board Member of the Company. Mr. Toshiyuki Isobe is a business executor of Toyota Motor Corporation (a designated relationship business entity) and receives remuneration from said company.
5. The Company plans to conclude limited liability agreements with Mr. Hitoshi Suzuki and Mr. Toshiyuki Isobe pursuant to Article 423, Paragraph 1 of the Companies Act to limit liability under the total amount stipulated by Article 425, Paragraph 1 of the Companies Act.
6. The Company has designated candidates for Audit & Supervisory Board Member Hitoshi Suzuki as Independent Directors/Auditors based on the definitions of the Tokyo Stock Exchange, Inc. and the Nagoya Stock Exchange, Inc., and plans to make submissions to both Exchanges.

**Proposal 3:** Payment of Retirement Bonuses to Retiring Directors

As of the conclusion of this General Meeting, the following three persons, President Yasuhiro Mishima, Director Managing Executive Officer Koichi Futai, Director and Managing Executive Officer Tsugumi Sanmiya, will retire due to expiration of their terms of office. The Company proposes the payment of retirement bonuses within an appropriate range for their services in office, in line with certain standards of the Company. The Company requests that specific amounts, timing of payment, and methods, etc., be delegated to the Board of Directors.

The past experience of retiring Directors is as follows:

Name	Past experience	
Yasuhiro Mishima	June 2009	President, the Company (current position)
Koichi Futai	June 2008	Director, the Company
	June 2011	Managing Director
	June 2013	Director Managing Executive Officer (current position)
Tsugumi Sanmiya	June 2014	Director Managing Executive Officer, the Company (current position)