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Securities code: 5482

June 2, 2017

To our shareholders:



Takahiro Fujioka,

President

AICHI STEEL CORPORATION

1, Wanowari, Arao-cho, Tokai-shi, Aichi

NOTICE OF THE 113th GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 113th General Meeting of Shareholders of AICHI STEEL CORPORATION (the “Company”), which will be held as indicated below.

Meeting Details

- 1. Date and Time:** Wednesday, June 21, 2017, 10:00 a.m. (Japan Standard Time)
- 2. Venue:** **Multipurpose Hall (1st floor), Tokai City Arts Theatre**
137, Simohamada, Otamachi, Tokai-shi, Aichi (in Yuunaru Tokai)
- 3. Purposes:**
 - Items to be reported;**
Business Report, Consolidated Financial Statements, Financial Statements and Audit Reports concerning Consolidated Financial Statements by the Financial Auditors and the Audit & Supervisory Board for the 113th Term (April 1, 2016 to March 31, 2017)
 - Items to be resolved;**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Ten (10) Directors
 - Proposal 3:** Election of One (1) Audit & Supervisory Board Member
 - Proposal 4:** Payment of Bonuses to Directors

Reference Document for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Appropriation of Surplus

With the respect to the dividend payment, taking comprehensive account of consolidated business results and payout ratio, etc., the Company will fulfill the expectations of all its shareholders.

The dividends of the 113th Term shall be as follows:

Matters concerning the year-end dividend

(1) Type of dividend assets

Cash

(2) Allocation of dividend assets and total amount of dividends

Amount per share of common stock: ¥50

Total dividends: ¥984,150,450

(3) Effective date of dividend payment

June 22, 2017

Proposal 2: Election of Ten (10) Directors

The terms of all current Directors will expire at the close of this General Meeting of Shareholders. Accordingly, we would like to propose the election of ten (10) Directors.

The candidates for the Directors are as follows, and matters regarding candidates for the Directors are on pages 3 through 8.

No.	Name	Positions in the Company	Attendance at meetings of the Board of Directors (FY2016)	Term of office as Director
1	Takahiro Iwase [Reelection]	Chairman and Director	11/11 (100%)	1 year
2	Takahiro Fujioka [Reelection]	President and Director	14/14 (100%)	6 years
3	Masao Ukai [Reelection]	Executive Vice President and Director	14/14 (100%)	6 years
4	Hiroaki Asano [Reelection]	Executive Vice President and Director	14/14 (100%)	5 years
5	Naohiro Yasunaga [Reelection]	Director, Managing Executive Officer	14/14 (100%)	2 years
6	Katsunori Kojima [Reelection]	Director, Managing Executive Officer	10/11 (91%)	1 year
7	Hiroaki Chino [Reelection]	Director, Managing Executive Officer	14/14 (100%)	9 years
8	Koichi Yasui [Reelection] [Outside] [Independent]	Director	12/14 (86%)	2 years
9	Yuko Arai [Reelection] [Outside] [Independent]	Director	10/11 (91%)	1 year
10	Takashi Ishigami [New]	Managing Executive Officer	-	-

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Mr. Koichi Yasui and Ms. Yuko Arai are candidates for Outside Director.
 3. The differences in number of attendances for meetings of the Board of Directors are due to differences in the timing of assuming the position of Director.
 4. The Company has designated Mr. Koichi Yasui and Ms. Yuko Arai as “Independent Director” pursuant to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange.
 5. The Company has concluded agreements to limit the liability for damages with Mr. Koichi Yasui and Ms. Yuko Arai as prescribed in Article 423, paragraph 1 of the Companies Act. Based on these agreements, their liability shall be limited to the amount stipulated by Article 425, paragraph 1 of the Companies Act. In the event that their reelection is approved, the aforementioned agreement is planned to continue.
 6. When appointing the candidates for Outside Director, the Enforcement Rules for Securities Listing Regulations as stipulated by the Tokyo Stock Exchange and the Nagoya Stock Exchange are used for a reference for the independence criteria, but at the time of appointment, various factors such as background, knowledge, character, etc. are holistically taken into consideration, with the most appropriate person becoming a candidate.

Candidates

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions		Number of the Company's shares held
1	<p>Takahiro Iwase (May 28, 1952) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 11/11 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 1 year</p>	<p>April 1977</p> <p>June 2005</p> <p>June 2009</p> <p>April 2011</p> <p>June 2011</p> <p>June 2014</p> <p>April 2016</p> <p>June 2016</p>	<p>Joined Toyota Motor Industrial Corporation (current Toyota Motor Corporation)</p> <p>Managing Officer of Toyota Motor Corporation</p> <p>Senior Managing Director of Toyota Motor Corporation</p> <p>Vice Chairman of the Board of Toyota Motor Asia Pacific (Singapore) Pte Ltd.</p> <p>Senior Managing Officer of Toyota Motor Corporation</p> <p>President and Director of Toyota Auto Body Co., Ltd.</p> <p>Standing Corporate Advisor of the Company</p> <p>Chairman and Director of the Company (to present)</p>	900
	<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Takahiro Iwase has been serving as Representative Director and Chairman since 2016, and as a Chairman on the Board of Directors, he strives toward frank and lively exchanges of ideas while fostering a respectful atmosphere, and has enhanced the decision making capabilities of the Board of Directors. Additionally, he has provided pertinent counsel on overall management and has been aptly performing supervision on determining important matters and business execution. Furthermore, he also possesses a wealth of business experience and knowledge regarding global business operation and overall management in the Company, Toyota Motor Corporation and Toyota Auto Body Co., Ltd. Thus, the Company proposes his continued appointment as Director.</p>			
2	<p>Takahiro Fujioka (August 31, 1954) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 6 years</p>	<p>April 1979</p> <p>June 2006</p> <p>May 2011</p> <p>June 2011</p>	<p>Joined Toyota Motor Industrial Corporation (current Toyota Motor Corporation)</p> <p>Managing Officer of Toyota Motor Corporation</p> <p>Standing Corporate Advisor of the Company</p> <p>President and Director of the Company (to present)</p>	8,000
	<p>[Notable Concurrent Positions]</p> <p>Vice Chairman of the Board of Shanghai Aichi Forging Co., Ltd.</p> <p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Takahiro Fujioka has been serving as Representative Director and President since 2011, and while exhibiting leadership as a head manager and working to improve the Group's corporate value. He has been aptly performing supervision on determining important matters and business execution. Furthermore, he also possesses a wealth of business experience and knowledge regarding global business operation and overall management in both the Company and Toyota Motor Corporation. Thus, the Company proposes his continued appointment as Director.</p>			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
3	<p>Masao Ukai (January 8, 1954) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 6 years</p>	<p>April 1976 Joined Toyota Motor Sales Corporation Co., Ltd. (current Toyota Motor Corporation)</p> <p>January 2001 Assistant Section Chief of Secretariat of Toyota Motor Corporation</p> <p>January 2006 Chief of Secretariat of Toyota Motor Corporation</p> <p>January 2011 Standing Corporate Advisor of the Company</p> <p>June 2011 Director of the Company</p> <p>June 2012 Managing Director of the Company</p> <p>June 2013 Senior Managing Director of the Company</p> <p>April 2015 Director and Senior Managing Executive Officer of the Company</p> <p>June 2015 Executive Vice President and Director of the Company (to present)</p>	5,100
	<p>[Responsibility] General Manager of Corporate Planning Headquarters</p>		
	<p>[Reasons for Election of the Candidate for Director] Mr. Masao Ukai has been serving as Representative Director and Executive Vice President since 2015, and while exhibiting leadership as a head manager and working to improve the Group's corporate value. He has been aptly performing supervision on determining important matters and business execution. Furthermore, he also possesses a wealth of business experience and knowledge regarding global business operation and overall management in both the Company and Toyota Motor Corporation. Thus, the Company proposes his continued appointment as Director.</p>		
4	<p>Hiroaki Asano (March 26, 1952) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 5 years</p>	<p>April 1974 Joined the Company</p> <p>January 1999 Chief of No. 2 Development Department of the Company</p> <p>June 2003 Officer and Chief of Corporate Planning Department of the Company</p> <p>June 2005 Director of the Company</p> <p>June 2008 Managing Director of the Company</p> <p>June 2010 President and Director of Aichi Techno Metal Fukaumi Company</p> <p>June 2012 Managing Director of the Company</p> <p>June 2013 Senior Managing Director of the Company</p> <p>April 2015 Director and Senior Managing Executive Officer of the Company</p> <p>April 2017 Executive Vice President and Director of the Company (to present)</p>	5,500
	<p>[Responsibility] General Manager of Manufacturing Promotion Headquarters, Sensor Business Dept.</p>		
	<p>[Reasons for Election of the Candidate for Director] Mr. Hiroaki Asano has been serving as Executive Vice President and Director since 2017, and at present, is undertaking total management toward achieving optimal production as General Manager of Manufacturing Promotion Headquarters, and is working to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management, the electro-magnetic product business, and overall technology in the Company. Thus, the Company proposes his continued appointment as Director.</p>		

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
5	<p>Naohiro Yasunaga (December 16, 1959) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 2 years</p>	<p>April 1982 Joined the Company</p> <p>January 2007 Assistant Chief of Production Engineering Div. No. 1 Department of the Company</p> <p>June 2008 Officer and Manager of Chita Plant of the Company</p> <p>June 2012 Director of the Company</p> <p>June 2013 Executive Officer of the Company</p> <p>April 2015 Senior Executive Officer of the Company</p> <p>June 2015 Director and Senior Executive Officer of the Company</p> <p>April 2016 Director and Managing Executive Officer of the Company (to present)</p> <p>[Responsibility] Hagane (Steel) Company President</p>	3,500
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Naohiro Yasunaga has been serving as Director since 2015, and at present, is undertaking the strengthening of brand value and competitiveness in the Steel Business as Hagane (Steel) Company President, and is working to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management and production technology. Thus, the Company proposes his continued appointment as Director.</p>			
6	<p>Katsunori Kojima (February 24, 1957) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 10/11 (91%)</p> <p>Term of office as Director (at the conclusion of this meeting) 1 year</p>	<p>April 1981 Joined Toyota Motor Industrial Corporation (current Toyota Motor Corporation)</p> <p>January 2004 Representative Manager and Global Production Planning Department Vehicle Planning Section of Toyota Motor Corporation</p> <p>June 2008 President of Toyota Motor Manufacturing (UK) Ltd.</p> <p>January 2013 Standing Corporate Advisor of the Company</p> <p>June 2013 Executive Officer of the Company</p> <p>June 2013 Chairman and President of Aichi International (Thailand) Co. Ltd.</p> <p>April 2015 Senior Executive Officer of the Company</p> <p>April 2016 Managing Executive Officer of the Company</p> <p>June 2016 Director and Managing Executive Officer of the Company (to present)</p> <p>[Responsibility] Kitaeru (Forge) Company President</p>	2,000
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Katsunori Kojima has been serving as Director since 2016, and at present, is undertaking the strengthening of brand value and competitiveness in the Forged Products Business as Kitaeru (Forge) Company President, and is working to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management and production technology in both Toyota Motor Corporation and the Company. Thus, the Company proposes his continued appointment as Director.</p>			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
7	<p>Hiroaki Chino (February 1, 1959) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 9 years</p>	<p>April 1981 Joined the Company</p> <p>January 2005 Assistant Chief of Finance & Accounting Div. of the Company</p> <p>June 2007 Officer and Chief of Finance & Accounting Div. of the Company</p> <p>June 2008 Director of the Company</p> <p>June 2013 Director and Executive Officer of the Company</p> <p>April 2015 Director and Senior Executive Officer of the Company</p> <p>April 2017 Director and Managing Executive Officer of the Company (to present)</p> <p>[Responsibility] Assistant General Manager of Corporate Planning Headquarters, Audit Dept., Finance & Accounting Div.</p>	5,300
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Hiroaki Chino has been serving as Director since 2008, and at present, is undertaking the strengthening of corporate functions, optimization of management resources, and strengthening of brand value as Assistant General Manager of Planning Creation Headquarters, and is working to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management, accounting and finance, and corporate administration in the Company. Thus, the Company proposes his continued appointment as Director.</p>			
8	<p>Koichi Yasui (January 8, 1952) [Reelection] [Outside] [Independent]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 12/14 (86%)</p> <p>Term of office as Director (at the conclusion of this meeting) 2 years</p>	<p>April 1976 Joined Toho Gas Co., Ltd.</p> <p>June 2006 Executive Officer of Toho Gas Co., Ltd.</p> <p>June 2008 Director and Managing Executive Officer of Toho Gas Co., Ltd.</p> <p>June 2010 Director and Senior Managing Executive Officer of Toho Gas Co., Ltd.</p> <p>June 2012 President and Director of Toho Gas Co., Ltd.</p> <p>June 2015 Director of the Company (to present)</p> <p>June 2016 Chairman and Director of Toho Gas Co., Ltd. (to present)</p> <p>[Responsibility] Chairman and Director of Toho Gas Co., Ltd. Outside Director of Chubu-Nippon Broadcasting Co., Ltd.</p>	1,400
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Koichi Yasui has abundant experience, broad insight, an excellent and highly ethical character acquired through active performance as a corporate manager following experience in important positions in the sales division of Toho Gas Co., Ltd., one of the core companies in the Chubu area. Since 2015, as an Outside Director, with regard to important matters in Board of Directors deliberations, he has given proactive opinions and proposals that come from his independent position and distinct viewpoint from a background in a different industry, helping to strengthen corporate governance. Thus, the Company proposes his continued appointment as Director. (Matters regarding independence)</p> <p>Mr. Yasui is Chairman and Director of Toho Gas Co., Ltd. Although Toho Gas Co., Ltd. has transactions with the Company to operate as a usual gas supply, the Company judges that there would be no risk of conflicts of interest arising between Toho Gas Co., Ltd. and ordinary shareholders.</p>			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
9	<p>Yuko Arai (January 27, 1961) [Reelection] [Outside] [Independent]</p> <p>Attendance at meetings of the Board of Directors (FY2016) 10/11 (91%)</p> <p>Term of office as Director (at the conclusion of this meeting) 1 year</p>	<p>April 1979 Joined All Nippon Airways Co., Ltd</p> <p>April 2010 Assistant Branch Manager of Osaka Office of All Nippon Airways Co., Ltd</p> <p>April 2011 Assistant Branch Manager of Tokyo Office of All Nippon Airways Co., Ltd</p> <p>April 2014 Executive Officer, Branch Manager of Osaka Office, All Nippon Airways Co., Ltd</p> <p>April 2016 Senior Executive Officer and Deputy Director of Business Center, General Manager of Kansai Branch, All Nippon Airways Co., Ltd. (to present)</p> <p>June 2016 Director of the Company (to present)</p> <p>[Notable Concurrent Positions] Senior Executive Officer of All Nippon Airways Co., Ltd. Executive Vice President and Director of ANA Sales Co., Ltd.</p>	600
	<p>[Reasons for Election of the Candidate for Director]</p> <p>Ms. Yuko Arai has abundant experience, broad insight, an excellent and highly ethical character acquired through active performance as a corporate manager following experience in important positions in the sales division of All Nippon Airways Co., Ltd. and ANA Sales Co., Ltd., which have expanded their businesses globally. Since 2016, as an Outside Director, with regard to important matters in Board of Directors deliberations, she has given proactive opinions and proposals that come from her independent position and distinct viewpoint from a background in a different industry, helping to strengthen corporate governance. Thus, the Company proposes her continued appointment as Director. (Matters regarding independence)</p> <p>The Company has judged that there are no personal interests, capital interests, transactional interests, or other special interests between the candidate and the Company, and that there is no possibility of conflict of interest with general shareholders.</p>		
10	<p>Takashi Ishigami (March 11, 1958) [New]</p> <p>Attendance at meetings of the Board of Directors (FY2016) -</p> <p>Term of office as Director -</p>	<p>April 1982 Joined the Company</p> <p>January 2006 Assistant Chief of Facility Engineering Div. of the Company</p> <p>June 2010 Officer and Chief of Facility Engineering Div. of the Company</p> <p>June 2013 Executive Officer of the Company</p> <p>April 2015 Senior Executive Officer of the Company</p> <p>April 2017 Managing Executive Officer of the Company (to present)</p> <p>[Responsibility] Smart Company President, Electronic Components Business Dept.</p>	900
	<p>[Reasons for Election of the Candidate for Director]</p> <p>At present, Mr. Takashi Ishigami is undertaking the strengthening of brand value and competitiveness in the Electro-Magnetic Products Business as Smart Company President, and is working to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management, the electronic components business, and production technology in the Company. Thus, the Company proposes his new appointment as Director.</p>		

Proposal 3: Election of One (1) Audit & Supervisory Board Member

The term of office for Audit & Supervisory Board Member Mr. Ichiro Kanatoko will expire. The Company proposes to appoint the following one (1) individual to the Audit & Supervisory Board. The candidate for the Audit & Supervisory Board Member is as follows.

This Proposal has already been approved by the Audit & Supervisory Board.

Name	Positions in the Company	Attendance at meetings of Board of Directors (FY2016)	Attendance at meetings of Audit & Supervisory Board (FY2016)	Term of office as Audit & Supervisory Board Member
Ichiro Kanatoko [Reelection]	Audit & Supervisory Board Member	14/14 (100%)	12/12 (100%)	4 years

- Notes:
1. There are no special interests between the candidate and the Company.
 2. The Company has concluded agreements to limit the liability for damages with Mr. Ichiro Kanatoko as prescribed in Article 423, paragraph 1 of the Companies Act. Based on these agreements, Mr. Kanatoko's liability shall be limited to the amount stipulated by Article 425, paragraph 1 of the Companies Act. In the event that his reappointment is approved, the aforementioned agreement is planned to continue.

Candidates

Name	Career summary, positions and notable concurrent positions	Number of the Company's shares held
Ichiro Kanatoko (October 17, 1952) [Reelection]	April 1976 Joined of the Company January 2001 Seconded to Aichi USA Co., Ltd. June 2006 Officer of the Company and President of Aichi International (Thailand) Co., Ltd. June 2007 Director of the Company June 2013 Audit & Supervisory Board Member of the Company (to present)	8,000

[Reasons for Election of the Candidate for Audit & Supervisory Board Member]
 Mr. Ichiro Kanatoko has been serving as Audit & Supervisory Board Member since 2013, and plays a vital role in the Company's auditory operations. Furthermore, he is utilizing his wealth of business experience and knowledge regarding global business management, sales, as well as accounting and finance in the Company, and provides proactive opinions and proposals. Thus, the Company proposes his continued appointment as Audit & Supervisory Board Member.

Proposal 4: Payment of Bonuses to Directors

Taking into consideration the performance of the current term, among other factors, we propose to pay “Bonuses to Directors” at the amount of ¥88,500,000 to eight (8) Directors excluding Outside Directors as of the end of the fiscal year under review.