

Securities Code: 8051

June 1, 2018

To our shareholders:

Yuji NAGAO
Representative Director and President
YAMAZEN CORPORATION
2-3-16 Itachibori, Nishi-ku, Osaka

Notice of the 72nd Annual General Meeting of Shareholders

You are cordially invited to attend the 72nd Annual General Meeting of Shareholders of YAMAZEN CORPORATION (the “Company”), which will be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or on the internet. Please consider the Reference Documents for General Meeting of Shareholders below and exercise your voting rights no later than 5:30 p.m. on Monday, June 25, 2018 (JST).

- 1. Date and Time:** Tuesday, June 26, 2018 at 10:00 a.m. (JST)
2. Venue: 7th floor conference room in the Head Office of YAMAZEN CORPORATION
2-3-16 Itachibori, Nishi-ku, Osaka

3. Purpose of the Meeting

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the 72nd fiscal year (April 1, 2017 to March 31, 2018) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements.
2. Non-consolidated Financial Statements for the 72nd fiscal year (April 1, 2017 to March 31, 2018)

Matters to be resolved:

- Proposal No. 1** Election of Ten Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 2** Election of Three Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 3** Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Election of Ten Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all nine Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire. The Company proposes the election of ten Directors, an increase of one outside Director, to further enhance the corporate governance system. In addition, as a result of an examination, the Audit and Supervisory Committee judged that the candidate in this proposal is qualified.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Reelection Yuji NAGAO (December 25, 1954) [Attendance at Board of Directors meetings] 13/13 (100%)	Apr. 1977 Joined the Company Apr. 2011 Vice President; Vice President of Housing Equipment & Materials Division H.Q. Apr. 2012 Vice President; Vice President of Housing Equipment & Materials Division H.Q. and General Manager in charge of Higashi Nippon Region Apr. 2013 Senior Vice President; President of Housing Equipment & Materials Division H.Q. and General Manager in charge of Nishi Nippon Region Apr. 2014 Senior Vice President; President of Housing Equipment & Materials Division H.Q. June 2014 Director and Senior Vice President Apr. 2015 Managing Director and Senior Vice President Apr. 2016 Director and Executive Officer; President of Production Equipment Apr. 2017 Representative Director, President, CEO & COO (to present)	21,400 shares
[Reasons for nomination as candidate for Director] Currently, Yuji NAGAO governs the Company and the Group as Representative Director and President of the Company, and exhibits strong leadership in executing the medium-term management plan, which is at the core of the Group's management based on his abundant experience. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
2	Reelection Taichi ASOU (February 2, 1951) [Attendance at Board of Directors meetings] 13/13 (100%)	Apr. 1973 Apr. 2004 Apr. 2009 Apr. 2012 June 2012 Apr. 2015 Apr. 2016 Apr. 2017 April 2018	Joined the Company Vice President; President of Home Products Division H.Q. and President of Sales Promotion Division Senior Vice President Senior Vice President; President of Home Products Division H.Q. Director and Senior Vice President Managing Director and Senior Vice President Director and Executive Officer Director and Executive Officer (Japanese title changed; English title unchanged) Representative Director and Executive Officer (to present)	17,200 shares
	[Reasons for nomination as candidate for Director] Taichi ASOU possesses abundant experience and insight into the Home Products business as well as proven track records for enhancing revenues of said business and developing products aimed at creating new demand, and currently serves as Representative Director of the Company. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.			
3	Reelection Toshiyasu NOUMI (April 10, 1951) [Attendance at Board of Directors meetings] 13/13 (100%)	Mar. 1970 Apr. 2011 Apr. 2012 July 2012 Apr. 2013 Apr. 2014 June 2015 Apr. 2016 Apr. 2017 Apr. 2018	Joined the Company Vice President; Vice President of Industrial Tools & Equipment Division H.Q. and General Manager of Industrial Tools Department of Higashi Nippon Regional H.Q. Vice President; General Manager of Industrial Tools & Equipment Division H.Q. in charge of Higashi Nippon Region Vice President; Vice President of Higashi Nippon Regional H.Q., and General Manager of Industrial Tools & Equipment Division H.Q. in charge of Higashi Nippon Region Senior Vice President Senior Vice President; President of Industrial Tools & Equipment Division H.Q. Director and Senior Vice President Director and Executive Officer; Vice President of Production Equipment, and President of Industrial Tools & Equipment Division H.Q. Director and Executive Officer; President of Production Equipment, and President of Industrial Tools & Equipment Division H.Q. Representative Director and Executive Officer (to present)	18,100 shares
	[Reasons for nomination as candidate for Director] Toshiyasu NOUMI possesses abundant experience and insight into the Production Equipment business as well as a proven track record for greatly contributing to enhancing revenues of said business, and currently serves as Representative Director of the Company. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Reelection Kazuo EBATA (December 22, 1952) [Attendance at Board of Directors meetings] 10/10 (100%)	Feb. 1971	Joined the Company	8,700 shares
		Apr. 2011	Vice President; Vice President of Kyushu Regional H.Q. and General Manager of Housing Equipment & Materials Department of Kyushu Regional H.Q.	
		Apr. 2012	Vice President; Vice President of Kyushu Regional H.Q. and General Manager of Kyushu Sales Department of Housing Equipment & Materials Division H.Q.	
		Apr. 2013	Senior Vice President; Vice President of Housing Equipment & Materials Division H.Q. and General Manager in charge of Higashi Nippon Region	
		Apr. 2015	Senior Vice President; Vice President of Building Materials Division H.Q., General Manager in charge of Higashi Nippon Region and General Manager of Metropolitan Sales Department	
		Oct. 2015	Senior Vice President; Vice President of Building Materials Division H.Q. and General Manager in charge of Higashi Nippon Region	
		Apr. 2016	Corporate Officer; President of Building Materials Division H.Q.	
		Apr. 2017	Executive Officer	
		June 2017	Director and Executive Officer; President of Building Materials Division H.Q. (to present)	
[Reasons for nomination as candidate for Director] Kazuo EBATA possesses abundant experience and insight into the Building Materials business as well as a proven track record for greatly contributing to enhancing revenues of said business, and currently serves as the supervisor of said business. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.				
5	Reelection Hitoshi MATSUI (April 23, 1953) [Attendance at Board of Directors meetings] 10/10 (100%)	Apr. 1977	Joined the Company	48,200 shares
		Apr. 2013	Vice President; President of Hiroshima Regional H.Q.	
		Apr. 2015	Senior Vice President	
		Apr. 2016	Corporate Officer; President of Higashi Nippon Regional H.Q.	
		Apr. 2017	Executive Officer	
		June 2017	Director and Executive Officer	
		Apr. 2018	Director and Executive Officer; President of Tokyo Regional H.Q. (to present)	
		[Reasons for nomination as candidate for Director] Hitoshi MATSUI currently supervises the Tokyo Regional H.Q., directing the management of the whole headquarters, and possesses proven track records for enhancing revenues of existing domestic businesses and for creating new demand as well as abundant experience and insight. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
6	Reelection Kimihisa SASAKI (January 25, 1957) [Attendance at Board of Directors meetings] 9/10 (90%)	Apr. 1980 Apr. 2013 Apr. 2015 Apr. 2016 Apr. 2017 June 2017 Apr. 2018	Joined the Company Vice President; Vice President of Osaka Regional H.Q. Senior Vice President Corporate Officer Executive Officer; President of Osaka Regional H.Q. Director and Executive Officer Director and Executive Officer; President of Osaka Regional H.Q. (to present)	16,700 shares
	[Reasons for nomination as candidate for Director] Kimihisa SASAKI currently supervises the Osaka Regional H.Q., directing the management of the whole headquarters, and possesses proven track records for enhancing revenues of existing domestic businesses and for creating new demand as well as abundant experience and insight. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he again be elected as Director.			
7	Reelection Kenji GOSHI (August 23, 1958) [Attendance at Board of Directors meetings] 10/10 (100%)	Apr. 1982 Apr. 2013 Apr. 2014 Apr. 2016 Apr. 2017 June 2017 Apr. 2018	Joined the Company Vice President; General Manager of Planning Department, Marketing Administrative Division of Industrial Tools & Equipment Division H.Q. Vice President; Vice President of Industrial Tools & Equipment Division H.Q., President of Marketing Administrative Division and General Manager of Planning Department Corporate Officer; Vice President of Industrial Tools & Equipment Division H.Q. (in charge of Japan), General Manager of Strategy Administrative Division of Production Equipment and General Manager of Business Promotion Department Executive Officer; CIO, President of Corporate Planning H.Q. and General Manager of Strategy Administrative Division of Production Equipment Director and Executive Officer Director and Executive Officer; CIO, President of Corporate Planning H.Q. (to present)	12,200 shares
	[Reasons for nomination as candidate for Director] Kenji GOSHI possesses abundant experience and a broad insight gained through his services as a supervisor for planning areas of the Production Equipment business and current responsibility as a supervisor of the Corporate Planning H.Q. Taking into account the above facts, the Company determined that he is capable of the formulation and promotion of future management strategies for the Group, and proposes that he again be elected as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
8	New election Masamichi YAMAZOE (March 10, 1960)	Apr. 1982	Joined the Company	12,200 shares
		Apr. 2015	Vice President; General Manager of Legal & Credit Department of Administration H.Q.	
		Apr. 2016	Corporate Officer; General Manager of International Administration Department of Administration H.Q.	
		Apr. 2017	Corporate Officer; Vice President of Administration H.Q. and General Manager of International Administration Department	
		Nov. 2017	Corporate Officer; President of Administration H.Q.	
		Apr. 2018	Executive Officer; President of Administration H.Q. (to present)	
[Reasons for nomination as candidate for Director] Masamichi YAMAZOE possesses abundant experience and insight gained through his services as a supervisor of domestic and overseas legal affairs sections and current responsibility as a supervisor of the Administration H.Q. Taking into account the above facts, the Company determined that he is capable of contributing to the future enhancement of the Group's corporate value, and proposes that he be newly elected as Director.				
9	New election Koji KISHIDA (September 2, 1960)	Apr. 1983	Joined the Company	13,600 shares
		Apr. 2016	Corporate Officer; Vice President of Machine Tools Division H.Q. (in charge of overseas business), General Manager of International Department and President of YAMAZEN (KOREA) LTD.	
		Oct. 2016	Corporate Officer; Vice President of Machine Tools Division H.Q. (in charge of overseas business) and President of YAMAZEN (KOREA) LTD.	
		Apr. 2018	Executive Officer; President of Production Equipment Business H.Q. (to present)	
[Reasons for nomination as candidate for Director] Koji KISHIDA currently serves as supervisor of the Production Equipment business and possesses abundant experience and a proven track record in relation to overseas businesses. Taking into account the above facts, the Company determined that he is capable of contributing to the Production Equipment business and bolstering global functions, and proposes that he be newly elected as Director.				
10	New election Outside Hirofumi ISEKI (September 30, 1947)	Apr. 1972	Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited)	0 shares
		June 2002	Full-time Audit & Supervisory Board Member (resigned in June 2006)	
		June 2006	Full-time Audit & Supervisory Board Member of Osaka Kiko Co., Ltd. (currently OKK Corporation)	
		June 2010	Director and Senior Managing Executive Officer	
		Jan. 2011	Representative Director and President	
		Apr. 2015	Director and Chairman	
		June 2016	Advisor (resigned in June 2017)	
		(Significant concurrent positions outside the Company)		
		Not applicable		
[Reasons for nomination as candidate for outside Director] Hirofumi ISEKI possesses keen insight and abundant experience gained through his service as a representative director and president at another company. The Company determines that it can be expected that his pertinent advice on matters concerning the overall management of the Company will improve the effectiveness of the decision-making and supervisory functions of the Board of Directors, and further enhance corporate governance for the Group.				

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Hirofumi ISEKI is a candidate for outside Director. Furthermore, he satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning his appointment as an independent officer.
 3. Hirofumi ISEKI served as Representative Director and President of OKK Corporation until March 2015, and as Director and Chairman until June 2016. The Company and OKK Corporation have supply transactions for machine tools, with the transaction amount for such accounting for less than 1% of the consolidated net sales of the Company for the most recent fiscal year.
 4. If Hirofumi ISEKI is elected, the Company plans to enter into an agreement with him to limit his liability for damages provided under Article 423, paragraph 1 of the Companies Act to the amount provided by laws and regulations.

Proposal No. 2 Election of Three Directors Who Are Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all Directors who are Audit and Supervisory Committee members (three persons) will expire. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Reelection Yoshikazu MATSUMURA (October 3, 1950) [Attendance at Board of Directors meetings] 13/13 (100%)	Apr. 1973 Joined the Company Apr. 2008 Vice President; General Manager of Accounting Department of Administration H.Q. Apr. 2010 Vice President; Vice President of Administration H.Q. and General Manager of Finance & Accounting Department Apr. 2012 Senior Vice President; Vice President of Administration H.Q. and General Manager of Accounting Department Apr. 2014 Senior Vice President; General Manager of Finance & Accounting Department June 2014 Audit & Supervisory Board Member June 2016 Director (Audit and Supervisory Committee Member) (to present)	38,100 shares
[Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Yoshikazu MATSUMURA possesses the appropriate knowledge on finance and accounting gained through his long years of involvement in accounting and finance duties operations at the Company and services as the Vice President of Administration H.Q. Currently, he serves as full-time member of the Audit and Supervisory Committee and the Company determines that he can perform the duties of Director who is an Audit and Supervisory Committee member with a greater level of adequacy by leveraging this experience. Therefore, the Company proposes that he again be elected as a Director who is an Audit and Supervisory Committee member.			
2	Reelection Outside Sachie KATO (November 11, 1946) [Attendance at Board of Directors meetings] 13/13 (100%)	Apr. 1971 Appointed as Public Prosecutor of Tokyo District Public Prosecutors Office Mar. 1974 Retired as Public Prosecutor of Fukushima District Public Prosecutors Office May 1974 Registered with Osaka Bar Association Mar. 1983 Joined Nakatsukasa Sogo Law Office (currently Chuo Sogo Law Office, P.C.) (to present) June 2015 Outside Director of the Company June 2016 Outside Director (Audit and Supervisory Committee Member) (to present) (Significant concurrent positions outside the Company) Outside Director of HISAKA WORKS, LTD. Outside Audit & Supervisory Board Member of DyDo GROUP HOLDINGS, INC.	1,000 shares
[Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member] Although Sachie KATO does not have any past experience involved in corporate management other than being an outside officer, she possesses expertise and professional ethics formed as an attorney-at-law and a wealth of experience as an outside director and outside auditor at other companies. Therefore, the Company determines that she can provide valuable advice and appropriate audits and supervision in deliberations on proposals at meetings of the Board of Directors from an objective and neutral standpoint as outside Director (Audit and Supervisory Committee Member), and proposes that she again be elected as Director who is an Audit and Supervisory Committee Member.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Reelection Outside Yoshinori TSUDA (August 18, 1972) [Attendance at Board of Directors meetings] 13/13 (100%)	Apr. 1995 Joined Chuo Audit Corporation (Renamed to Misuzu Audit Corporation in September 2006) Apr. 1998 Registered as Certified Public Accountant July 2007 Resigned from Misuzu Audit Corporation Aug. 2007 Representative Director and Partner of ASUKA Consulting INC. (to present) Representative of Yoshinori Tsuda CPA Office (to present) June 2013 Outside Audit & Supervisory Board Member of the Company June 2016 Outside Director (Audit and Supervisory Committee Member) (to present) (Significant concurrent positions outside the Company) Outside Audit & Supervisory Board Member of Daiichi Kigenso Kagaku Kogyo Co., Ltd.	0 shares
[Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member] Yoshinori TSUDA possesses expertise and professional ethics formed as a certified public accountant and a wealth of experience as an outside Audit & Supervisory Board member at other companies. Therefore, the Company determines that he can provide valuable advice and appropriate audits and supervision in deliberations on proposals at meetings of the Board of Directors from an objective and neutral standpoint as outside Director (Audit and Supervisory Committee Member), and proposes that he again be elected as Director who is an Audit and Supervisory Committee Member.			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Sachie KATO is a candidate for outside Director. Furthermore, she satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning her appointment as an independent officer.
 - While KATO belongs to Chuo Sogo Law Office, P.C., to which the Company entrusts services and from which the Company receives legal advice from attorneys-at-law in the firm other than the candidate, the annual amount of consulting fees paid by the Company to the firm is less than ¥10 million.
 - KATO concurrently serves as outside Director of HISAKA WORKS, LTD. The Company and HISAKA WORKS, LTD. have supply transactions for industrial tools equipment products, with the transaction amount for such accounting for less than 0.01% of the consolidated net sales of the Company for the most recent fiscal year.
 - Yoshinori TSUDA is a candidate for outside Director. Furthermore, he satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning his appointment as an independent officer.
 - Sachie KATO is currently an outside Director of the Company, and at the conclusion of this meeting, her tenure will have been three years.
 - Yoshinori TSUDA is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been two years. TSUDA also served as an outside Audit & Supervisory Board Member of the Company for three years from June 2013.
 - The Company has entered into agreements with Yoshikazu MATSUMURA, Sachie KATO and Yoshinori TSUDA to limit their liability for damages provided under Article 423, paragraph 1 of the Companies Act to the amount provided by laws and regulations. If the election of three candidates is approved, the Company plans to maintain the aforementioned agreements with them.

Proposal No. 3 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

At the commencement of this meeting, the validity of election of Eiichi TAMAKI, who was elected as a substitute Director who is an Audit and Supervisory Committee Member at the 70th Annual General Meeting of Shareholders held on June 24, 2016, will expire. Therefore, the Company again proposes the election of one substitute Director who is an Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

The validity of the resolution for this proposal shall be until the commencement of the Annual General Meeting of Shareholders for the final business year ending within two years of this resolution, and can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office.

In addition, the consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
Reelection Outside Eiichi TAMAKI (January 21, 1955)	Nov. 1979 Joined Chuo Accounting Office Mar. 1983 Registered as Certified Public Accountant Dec. 1993 Registered as Certified Public Tax Accountant Jan. 1994 Representative of Tamaki Certified Public Accountant Office (to present) Apr. 2015 Specially-Appointed Professor of Kansai University Graduate School of Accountancy (to present)	0 shares
[Reasons for nomination as candidate for substitute outside Director who is an Audit and Supervisory Committee Member] Although Eiichi TAMAKI does not have any past experience involved in corporate management other than being an outside officer, the Company proposes that he be elected as substitute Director who is an Audit and Supervisory Committee member because it determines that he can provide appropriate and effective advice and guidance as a Director who is an Audit and Supervisory Committee member based on his years of experience and wealth of knowledge as a certified public accountant if he assumes office.		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Eiichi TAMAKI is a candidate for substitute outside Director who is an Audit and Supervisory Committee Member.
 3. If Eiichi TAMAKI assumes office as Director who is an Audit and Supervisory Committee Member of the Company, the Company plans to enter into an agreement with him to limit his liability for damages provided under Article 423, paragraph 1 of the Companies Act to the amount provided by laws and regulations.