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Securities Code: 6809  
June 3, 2019

**To All Shareholders:**

Kazuhiro Takeuchi  
President, CEO  
TOA CORPORATION  
7-2-1, Minatojimanakamachi,  
Chuo-ku, Kobe, Hyogo Prefecture

### **Notice of the 71st Ordinary General Shareholders' Meeting**

We would hereby like to inform you that the 71st Ordinary General Shareholders' Meeting (the "Meeting") of TOA Corporation ("TOA") will be held as described below, and we would be grateful if you could attend the Meeting.

**If you are unable to attend the Meeting, you can exercise your voting rights in writing. Please refer to the reference materials contained herein, indicate your approval or disapproval for each of the items to be resolved in the Meeting on the enclosed ballot form and return it to us. Your ballot form must reach us by 5:30 p.m. on Wednesday, June 19, 2019 (Japan Time).**

- 1. Date and Time:** 10:00 a.m., Thursday, June 20, 2019 (Japan Time)
- 2. Venue:** XEBEC HALL, 7-2-1, Minatojimanakamachi, Chuo-ku, Kobe, Hyogo Prefecture
- 3. Meeting Agenda:**
  - Matters to be reported:**
    - 1: The Business Report, Consolidated and Unconsolidated Financial Statements for the 71st fiscal year (from April 1, 2018 to March 31, 2019)
    - 2: Audit Report on Consolidated Financial Statements for the 71st fiscal year by the Financial Auditors and by the Audit & Supervisory Board

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Retained Earnings
- Proposal 2:** Appointment of 4 Members of the Board of Directors
- Proposal 3:** Appointment of 1 Member of Audit & Supervisory Board
- Proposal 4:** Appointment of 1 Substitute Member of Audit & Supervisory Board
- Proposal 5:** Determination of Compensation for Granting Restricted Shares to Directors

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- When attending the Meeting, please submit the enclosed ballot form at the reception desk.
  - The following matters have been posted on TOA's website (<https://www.toa.co.jp/ir/stockinfo/memo.htm>) in accordance with laws and regulations and Article 15 of the Articles of Incorporation of TOA, and are therefore not included in this notice of convocation. Accordingly, the documents attached to this notice of convocation constitute a part of documents audited by the Audit & Supervisory Board Members and the Financial Auditor in preparing the Audit Report.
    - 1) Systems to Ensure the Propriety of Business Operations
    - 2) Consolidated Statements of Changes in Shareholders' Equity, etc.
    - 3) Notes to the Consolidated Financial Statements
    - 4) Statement of Changes in Shareholders' Equity, etc.
    - 5) Notes to the Unconsolidated Financial Statements
  - Should matters to be described in the documents attached to this notice of convocation as well as the Reference Documents for the General Shareholders' Meeting require revisions, the revised versions will be posted on TOA's website (<https://www.toa.co.jp/ir/stockinfo/memo.htm>).

# Reference Documents for the General Shareholders' Meeting

## Proposals and References

### Proposal 1: Appropriation of Retained Earnings

We propose the appropriation of retained earnings as described below.

Matters related to the year-end dividends

TOA positions enhancing returns of profits to shareholders as one of the management priorities. Having a policy of providing stable dividends as a basis, and taking into account of our business performance, we endeavor to provide returns to shareholders.

With respect to distribution of retained earnings, we adopt a basic policy of maintaining an annual dividend of 20 yen, and aim for a consolidated dividend payout ratio of 35% based on our business performance. The amount of dividends paid will also be determined by considering the overall balance with our internal reserves, so as to enable sustainable growth of TOA.

We propose payment of a year-end dividend of 16 yen per share for the fiscal year ended March 31, 2019, comprising the stable dividend of 10 yen and performance-based dividend of 6 yen in consideration of a consolidated dividend payout ratio of 35%.

Year-end dividend


1. Type of dividend property  
Cash
2. Matters related to the allotment of dividend property to shareholders and the total amount  
16 yen per share of common stock of TOA  
Total amount: 541,793,536 yen  
We paid 10 yen per share as an interim dividend; therefore the total annual dividend for the fiscal year ended March 31, 2019, including the interim dividend, will be 26 yen per share.
3. Effective date of distribution of retained earnings  
June 21, 2019


## Proposal 2: Appointment of 4 Members of the Board of Directors


The terms of office of Directors Messrs. Kenji Itani, Kazuhiro Takeuchi, Masato Hotta and Kazuyoshi Tani will expire at the closing of this Meeting. Accordingly, we propose the appointment of four (4) Directors.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of TOA shares held
1	<p data-bbox="236 685 481 752">Kenji Itani (December 17, 1951)</p>  <p data-bbox="256 1059 461 1088">&lt;Reappointment&gt;</p>	<p data-bbox="520 483 1217 1144">           May 1976      Joined TOA Corporation            April 2000    General Manager, Logistics Department,                                     Sales Division, TOA Corporation            October 2001   Executive Officer, General Manager, East                                     Japan Sales Department, TOA Corporation            April 2005      Executive Officer, General Manager,                                     Logistics Department, TOA Corporation            June 2005      Director, Senior Executive Officer, Executive                                     Manager, Supply Chain Management                                     Division, TOA Corporation            October 2007   Director, Senior Executive Officer, Executive                                     Manager, Supply Chain Management                                     Division, and Executive Manager, Audio                                     R&amp;D Division, TOA Corporation            June 2008      Director, Senior Managing Executive Officer,                                     Executive Manager, Supply Chain                                     Management Division, and Executive                                     Manager, Audio R&amp;D Division, TOA                                     Corporation            June 2009      President, CEO, TOA Corporation            June 2015      Chairman and CEO, TOA Corporation            June 2017      Director, Chairman, TOA Corporation (to                                     present)         </p> <p data-bbox="501 1151 1423 1294">           [Reasons for nomination as a candidate for Director]            Mr. Kenji Itani has been nominated as a candidate for Director, because he can be expected to continue to fulfill the role as Director by leveraging his cross-cutting track record and experience of having overseen logistics divisions, domestic sales divisions and R&amp;D divisions.         </p>	1,823,273

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of TOA shares held
2	<p data-bbox="252 555 466 622">Kazuhiro Takeuchi (July 26, 1958)</p>  <p data-bbox="252 927 459 958">&lt;Reappointment&gt;</p>	<p data-bbox="517 293 1217 1003"> April 1981      Joined TOA Corporation  April 2000      President, TOA ELECTRONICS TAIWAN CORPORATION  April 2003      General Manager, Metropolitan Area Sales Department, TOA Corporation  November 2003   Executive Officer, General Manager, Metropolitan Area Sales Department, TOA Corporation  October 2004   Executive Officer, General Manager, East Japan Sales Department, TOA Corporation  November 2006   Executive Officer, Vice Executive Manager, Sales Division, TOA Corporation  April 2007      Executive Officer, Executive Manager, Sales Division, TOA Corporation  June 2007      Director, Executive Officer, Executive Manager, Sales Division, TOA Corporation  April 2010      Director, Senior Executive Officer, Executive Manager, Sales Division, TOA Corporation  April 2015      Director, Senior Executive Officer, Executive Manager, Sales Division, TOA Corporation  April 2016      Director, Senior Executive Officer, Executive Manager, Sales Division, and Executive Manager, R&amp;D Division, TOA Corporation  June 2017      President, CEO, TOA Corporation (to present) </p>	26,100
<p data-bbox="501 1021 1426 1216"> [Reasons for nomination as a candidate for Director]  Mr. Kazuhiro Takeuchi has been nominated as a candidate for Director, because he can be expected to continue to fulfill the role as Director by leveraging his track record and experience of having overseen R&amp;D divisions, in addition to having led domestic sales divisions over many years. He can be also expected to contribute to the further growth of TOA and the sustainable improvement of its corporate value. </p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of TOA shares held
3	<p data-bbox="277 801 443 869">Masato Hotta (July 18, 1958)</p>  <p data-bbox="256 1173 459 1205">&lt;Reappointment&gt;</p>	<p data-bbox="520 293 1214 1507"> April 1982      Joined TOA Corporation  April 2000      General Manager, Tokyo Sales Department,  Tokyo Branch, Sales Division, TOA  Corporation  April 2001      General Manager, Metropolitan Area Sales  Department, Tokyo Branch, Sales Division,  TOA Corporation  October 2001    General Manager in charge of East Japan  Sales Department, TOA Corporation  April 2003      President, TOA ELECTRONICS TAIWAN  CORPORATION  April 2005      President, TOA (CHINA) LIMITED.  April 2007      President, TOA (CHINA) LIMITED., and  President, TOA (HONG KONG) LIMITED  June 2008      Executive Officer, TOA Corporation;  President, TOA (CHINA) LIMITED., and  President, TOA (HONG KONG) LIMITED  April 2009      Executive Officer, General Manager, China  &amp; East Asia Department, International  Marketing Division, TOA Corporation;  President, TOA (CHINA) LIMITED., and  President, TOA (HONG KONG) LIMITED  April 2012      Executive Officer, General Manager, China  &amp; East Asia Business Department,  International Business Division, TOA  Corporation, and President, TOA (HONG  KONG) LIMITED  January 2013    Executive Officer, General Manager, China  &amp; East Asia Business Department,  International Business Division, TOA  Corporation  June 2013      Director, Executive Officer, General  Manager, China &amp; East Asia Business  Department, International Business  Division, TOA Corporation  April 2014      Director, Executive Officer, Executive  Manager, Corporate Planning Division, TOA  Corporation  April 2019      Director, Executive Officer, Executive  Manager, Corporate Planning Division, and  in charge of Sales Engineering Department,  TOA Corporation (to present) </p> <p data-bbox="501 1514 1414 1718"> [Reasons for nomination as a candidate for Director]  Mr. Masato Hotta has been nominated as a candidate for Director, because he can be expected to continue to fulfill the role as Director by leveraging his cross-cutting track record and experience of having overseen and led domestic sales divisions, international sales divisions and corporate planning divisions. He can be also expected to contribute to the further growth of TOA and the sustainable improvement of its corporate value. </p>	6,275

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of TOA shares held
4	<p data-bbox="236 613 486 680">Kazuyoshi Tani (September 13, 1952)</p>  <p data-bbox="256 992 461 1088">&lt;Reappointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p data-bbox="518 293 1216 1160"> April 1976      Joined Bando Chemical Industries, Ltd.  November 1995      Deputy General Manager, Power  Transmission Technical Research Center,  Bando Chemical Industries, Ltd.  April 1998      General Manager, Power Transmission  Technical Research Center, Bando  Chemical Industries, Ltd.  April 2000      General Manager, Central Research Center,  Bando Chemical Industries, Ltd.  July 2002      Deputy General Manager, Power  Transmission Belt Division, Bando Chemical  Industries, Ltd.  April 2004      Executive Officer, General Manager, Power  Transmission Belt Division, Bando Chemical  Industries, Ltd.  June 2004      Director, Bando Chemical Industries, Ltd.  April 2005      Director, Senior Executive Officer, Bando  Chemical Industries, Ltd.  June 2007      President and Representative Director,  Bando Chemical Industries, Ltd.  April 2013      Director, Vice Chairman, Bando Chemical  Industries, Ltd.  June 2014      Senior Advisor, Technical Advisor, Bando  Chemical Industries, Ltd.  June 2015      Outside Director, TOA Corporation (to  present)  June 2017      Independent Director, SHIZUKI ELECTRIC  COMPANY INC. (to present)  April 2018      Senior Advisor, Bando Chemical Industries,  Ltd. (to present) </p> <p data-bbox="501 1167 1412 1415"> [Reasons for nomination as a candidate for Outside Director]  Mr. Kazuyoshi Tani has been nominated as a candidate for Outside Director, because he can be expected to continue to fulfill the role as Outside Director in strengthening corporate governance function of TOA by reflecting his extensive experience and expertise accumulated over many years as an engineer and a corporate manager at a rubber and plastic product manufacturer to help the management of TOA, and by proactively offering advice and suggestions on management from an objective standpoint, independent of the management that execute businesses. </p>	5,600


- (Notes)
1. There are no special interests between each of the candidates for Directors and TOA.
  2. Mr. Kazuyoshi Tani is a candidate for Outside Director. We have registered him as an independent officer as specified by Tokyo Stock Exchange, Inc. If he is appointed as Director at this Meeting, he is scheduled to continue to be an independent officer.
  3. If Mr. Kazuyoshi Tani is appointed as Director, TOA intends to renew the liability limitation agreement with him to limit his liability for compensation for damages in accordance with Article 427, Paragraph 1 of the Companies Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  4. The term of office of Mr. Kazuyoshi Tani as Outside Director will be four years at the closing of this Meeting.

### Proposal 3: Appointment of 1 Member of Audit & Supervisory Board

The term of office of Audit & Supervisory Board Member Mr. Shigenobu Kobayashi will expire at the closing of this Meeting. Accordingly, we propose the appointment of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has previously given its approval to the submission of this proposal.

The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of TOA shares held
<p>Shigenobu Kobayashi (October 20, 1950)</p>  <p>&lt;Reappointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p>December 1975 Joined Mizuho Audit Corporation            August 1981 Registered as a certified public accountant            December 1986 Resigned from Mizuho Audit Corporation            Established Certified Public Accountant Kobayashi Accounting Firm (currently Kobayashi Shigenobu Accounting Firm) as Manager (to present)            March 1989 Registered to practice as a certified public tax accountant            June 1998 Chairman, Legal Accounting Committee, The Japanese Institute of Certified Public Accountants Hyogo Chapter            June 2001 Chairman, Tax Committee, The Japanese Institute of Certified Public Accountants Hyogo Chapter; Member of Taxation and Legislation Committee, The Japanese Institute of Certified Public Accountants            April 2005 Comprehensive External Auditor, Himeji City            January 2007 Senior Advisor, Himeji Shinkin Bank            June 2007 Chairman, School Accounting and Audit Practice Committee, The Japanese Institute of Certified Public Accountants Hyogo Chapter; Member of School Accounting and Audit Practice Committee, The Japanese Institute of Certified Public Accountants            February 2009 Auditor, TAKATA INDUSTRY CONSOLIDATED COOPERATION (to present)            June 2011 Outside Audit &amp; Supervisory Board Member, TOA Corporation (to present)            June 2012 Auditor, Himeji Shinkin Bank (to present)            June 2018 Auditor, Himeji City Council of Social Welfare (to present)</p>	<p>—</p>
<p>[Reasons for nomination as a candidate for Outside Audit &amp; Supervisory Board Member]            Mr. Shigenobu Kobayashi has been nominated as a candidate for Outside Audit &amp; Supervisory Board Member, because he can be expected to fulfill the role as Audit &amp; Supervisory Board Member by leveraging his expertise as a certified public accountant and certified public tax accountant, and his experience in corporate tax services and audits as a manager of an accounting firm over many years. Although he has no experience in corporate management other than being an Outside Audit &amp; Supervisory Board Member, for the reasons stated above, we judged that he can appropriately perform the duties of Outside Audit &amp; Supervisory Board Member.</p>		

- (Notes)
1. There are no special interests between Mr. Shigenobu Kobayashi and TOA.
  2. Mr. Shigenobu Kobayashi is a candidate for Outside Audit & Supervisory Board Member. We have registered him as an independent officer as specified by Tokyo Stock Exchange, Inc. If he is appointed as Audit & Supervisory Board Member at this Meeting, he is scheduled to continue to be an independent officer.
  3. If Mr. Shigenobu Kobayashi is appointed as Audit & Supervisory Board Member, TOA intends to renew the liability limitation agreement with him to limit his liability for compensation for damages in accordance with Article 427, Paragraph 1 of the Companies Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  4. The term of office of Mr. Shigenobu Kobayashi as Outside Audit & Supervisory Board Member will be eight years at the closing of this Meeting.




#### Proposal 4: Appointment of 1 Substitute Member of Audit & Supervisory Board

The effectiveness of appointment of Substitute Audit & Supervisory Board Member Mr. Takahisa Fukumoto, appointed at the Ordinary General Shareholders' Meeting held on June 21, 2018, will expire at the commencement of this Meeting. To prepare for the event where the number of Audit & Supervisory Board Member falls below the number defined by laws and regulations, we propose the appointment of one (1) Substitute Audit & Supervisory Board Member in advance.

The Audit & Supervisory Board has previously given its approval to the submission of this proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of TOA shares held
Takahisa Fukumoto (August 2, 1967)  	April 1993      Joined Hyogo Prefectural Government March 1994      Resigned from Hyogo Prefectural Government April 1996      Registered as an attorney-at-law Joined Higashimachi Law Office (currently Higashimachi LPC) April 2003      Partner, Higashimachi Law Office (currently Higashimachi LPC) (to present) June 2003      Outside Corporate Auditor, Kawanishi Warehouse Co., Ltd. April 2008      Vice-President, Hyogo-Ken Bar Association June 2010      Outside Corporate Auditor, KOBE Ferry center. co., Ltd. (to present) April 2012      Domestic Relations Conciliation Commissioner, Kobe Family Court (to present)	-
	[Reasons for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member] Mr. Takahisa Fukumoto has been nominated as a candidate for Substitute Outside Audit & Supervisory Board Member, because he is qualified as a lawyer and can be expected to fulfill the role as Audit & Supervisory Board Member, by leveraging his extensive experience and expertise accumulated in the legal community. Although he has no experience in corporate management other than being an Outside Audit & Supervisory Board Member, for the reasons stated above, we judged that he can appropriately perform the duties of Outside Audit & Supervisory Board Member.	

- (Notes)
1. There are no special interests between Mr. Takahisa Fukumoto and TOA.
  2. Mr. Takahisa Fukumoto is a candidate for Substitute Outside Audit & Supervisory Board Member. If he is appointed as Audit & Supervisory Board Member, he is expected to be an independent officer pursuant to the relevant provisions of Tokyo Stock Exchange, Inc.
  3. If Mr. Takahisa Fukumoto is appointed as Audit & Supervisory Board Member, TOA intends to enter into a liability limitation agreement with him to limit his liability for compensation for damages in accordance with Article 427, Paragraph 1 of the Companies Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

## **Proposal 5: Determination of Compensation for Granting Restricted Shares to Directors**

The 58th Ordinary General Shareholders' Meeting held on June 29, 2006 approved the amount of compensation, etc. for Directors of TOA as up to 300 million yen per year (not including the portion of employee's salary for Directors who concurrently serve as employees).

With the objectives of further raising the motivation of Representative Directors and Executive Directors of TOA (hereinafter, the "Eligible Directors") to contribute to higher share price and enhancement of corporate value while further sharing value with shareholders, as part of the revision of the compensation system for Directors and Audit & Supervisory Board Members, TOA proposes to newly provide Eligible Directors with compensation for granting shares with transfer restrictions, separately from the compensations described above.

In accordance with this proposal, the compensation to be paid to the Eligible Directors for granting restricted shares shall be monetary claims (hereinafter, the "monetary compensation claims"), and the total amount shall be up to 100 million yen per year, an amount deemed as reasonable in light of the foregoing objectives. The specific timing of payment and allocation of such compensation to the respective Eligible Directors shall be determined by the Board of Directors, subject to deliberation by the Compensation Committee. However, compensation for granting restricted shares shall not be provided to Outside Directors. The abovementioned amount will not include the portion of employee's salary for Directors who concurrently serve as employees.

If Proposal 2 "Appointment of 4 Members of the Board of Directors" is approved as originally proposed, the number of Eligible Directors will be four.

Further, in accordance with a resolution of the Board of Directors of TOA, Eligible Directors shall pay in the entire monetary compensation claims to be provided based on this proposal in the form of property contributed in kind, and shall receive TOA's common shares that shall be issued or disposed of by TOA. The total number of TOA's common shares to be issued or disposed of thereby shall be up to 120,000 shares per year (however, if, on or after the date that this proposal is approved and adopted, either a share split (including the allotment of TOA's common shares without contribution) or a share consolidation of TOA's common shares is carried out, or if any other event where the total number of TOA's common shares to be issued or disposed of as restricted shares needs to be adjusted, the total number of shares shall be adjusted within a reasonable range).

The amount to be paid in per share shall be the closing price of a common share of TOA on the Tokyo Stock Exchange on the business day preceding the day of each resolution of the Board of Directors (or the closing price on the closest preceding trading day in cases where no transactions are concluded on such date). In addition, for the issuance or disposal of TOA's common shares, TOA and the Eligible Directors shall enter into an agreement on the allotment of restricted shares containing the following details (the "Allotment Agreement").

### **(1) Transfer restriction period**

The Eligible Director must not transfer, create a security interest on, or dispose of in any other way TOA's common shares allotted under the Allotment Agreement (the "Allotted Shares"), for a period of 20 years from the day the shares are allotted under the Allotment Agreement (the "Transfer Restriction Period"). The restrictions described in the preceding sentence will hereinafter be collectively referred to as the "transfer restrictions."

### **(2) Treatment at the time of retirement**

If the Eligible Director retires from the position of Director of TOA before the Transfer Restriction Period expires, TOA shall automatically acquire the Allotted Shares without consideration, except in the case of the expiration of the term of office, death, or any other justifiable reason for such retirement.

### **(3) Lifting of transfer restrictions**

Notwithstanding the provision of (1) above, TOA shall lift the transfer restrictions on all of the Allotted Shares as of the expiration of the Transfer Restriction Period, on the condition that the Eligible Director has remained in the position of Director of TOA throughout the Transfer Restriction Period. However, if the Eligible Director retires from the position of Director due to expiration of the term of office, death, or any other justifiable reason as provided in (2) above before the Transfer Restriction Period expires, the number of the Allotted Shares from which the transfer restrictions are to be lifted and the timing of lifting the transfer restrictions shall be reasonably adjusted as necessary. In this case, TOA shall automatically acquire without consideration the Allotted Shares from which the transfer restrictions have not been lifted, immediately after the transfer restrictions are lifted.

### **(4) Treatment during reorganization, etc.**

Notwithstanding the provision of (1) above, if, during the Transfer Restriction Period, matters relating to a merger agreement whereby TOA becomes the non-surviving company, a share

exchange agreement or share transfer plan whereby TOA becomes a wholly owned subsidiary, or other reorganization, etc. are approved by the General Shareholders' Meeting of TOA (or by the Board of Directors of TOA where the reorganization, etc. are not subject to approval by the General Shareholders' Meeting of TOA), TOA shall lift the transfer restrictions on the Allotted Shares in the number reasonably determined given the period from the start date of the Transfer Restriction Period to the day of approval of the reorganization, etc., by means of a resolution of the Board of Directors of TOA, prior to the effective date of the reorganization, etc. In this case, TOA shall automatically acquire without consideration the Allotted Shares from which the transfer restrictions have not been lifted, immediately after the transfer restrictions are lifted.

(5) Other matters

Other matters related to the Allotment Agreement shall be decided by the Board of Directors of TOA.