

Note: This document is an English Translation of the “Notice of the 5th Ordinary General Meeting of Shareholders (Dai-5-ki Teiji Kabunushi Sokai Shoshu Go-Tsuchi),” and prepared solely for the convenience of shareholders who are non-Japanese speakers. In the event of any discrepancy between this translated document and the Japanese original document, the Japanese original text shall prevail. UACJ Corporation does not guarantee the accuracy and/or the completeness of the translation and shall have no liability for any errors or omissions therein.

(Securities Code: 5741)

June 1, 2018

Dear shareholders:

Mitsuru Okada
Member of the Board President
UACJ Corporation
1-7-2 Otemachi, Chiyoda-ku, Tokyo

Notice of the 5th Ordinary General Meeting of Shareholders

- 1. Date and Time:** Thursday, June 21, 2018, at 10:00 a.m. (JST)
- 2. Venue:** 3rd Floor, Tokyo Sankei Building (Rooms 301-303, Otemachi Sankei Plaza)
1-7-2 Otemachi, Chiyoda-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. Reports on Business Report, Consolidated Financial Statements, and Report on Audit Results of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 5th fiscal term (from April 1, 2017 to March 31, 2018)
2. Reports on Non-consolidated Financial Statements for the 5th fiscal term (from April 1, 2017 to March 31, 2018)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Dividends of Surplus |
| Proposal No. 2 | Election of Twelve (12) Directors |
| Proposal No. 3 | Election of Six (6) Audit & Supervisory Board Members |
| Proposal No. 4 | Revision of Amount of Remuneration for Directors |
| Proposal No. 5 | Determination of Remuneration for Directors (Excluding Outside Directors) under the Medium-To Long-Term Performance-Linked Remuneration System |
| Proposal No. 6 | Revision of Amount of Remuneration for Audit & Supervisory Board Members |

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet or by mail. Please review the “Reference Documents for the General Meeting of Shareholders” attached to this notice, and make sure that your votes are submitted no later than 5:45 p.m. on Wednesday, June 20, 2018 (JST).

4. Matters Related to the Exercise of Voting Rights

If you exercise your voting rights redundantly by voting via the internet and by mailing of the voting form, the internet vote will be counted as the valid vote.

If you vote via the internet multiple times, the last vote will be counted as the valid vote.

- A commemorative gift for the General Meeting of Shareholders has not been prepared. We ask for your understanding.
- If you attend the meeting in person, you are kindly requested to submit the enclosed voting form at the reception desk.
- The reception desk will be crowded immediately prior to the start of the meeting, so you are advised to arrive early (the reception will begin at 9:00 a.m.).
- If you require sign language interpretation or use of a wheelchair, please notify UACJ Corporation (“the Company”) in advance so that arrangements can be made (please call 03-6202-2601).

- Any modification or change that may be required in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements will be notified on the Company's website. (<https://www.uacj.co.jp>)

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Dividends of Surplus

The Company acknowledges that distribution of dividends is essential to rewarding shareholders. The Company determines dividends by taking into consideration comprehensive factors including trends in financial performance, investment to improve corporate value, securing funds for research and development to enhance competitiveness, and reinforcing the Company's financial standing, while the Company seeks stable and continuous dividend distribution as its basic policy.

The Company proposes to pay ¥30 per share as a year-end dividend for this fiscal term.

Furthermore, the Company executed a consolidation of shares on October 1, 2017, in which 10 common shares became one share. As an interim dividend of ¥3 per share was paid with a base date of September 30, 2017, prior to the date of the consolidation of shares, the annual dividend for this fiscal term, when calculated based on the state after the consolidation of shares, is a total of ¥60 per share, consisting of an interim dividend of ¥30 per share, and a year-end dividend of ¥30 per share.

Matters related to the year-end dividends

1. Type of dividend property
Cash
2. Matters concerning the allotment of dividend property to shareholders and total amount thereof
¥30 per common share of the Company
Total payment: ¥1,447,252,590
3. Effective date of dividends of surplus
June 22, 2018

Proposal No. 2 Election of Twelve (12) Directors

At the conclusion of this meeting, the terms of office of all eleven (11) Directors will expire. Therefore, the Company proposes the election of twelve (12) Directors to further enhance its corporate governance system.

The candidates for Directors are as follows:

| Candidate No. | Name | Current position and responsibilities in the Company | Notes |
|---------------|-------------------|---|--|
| 1 | Miyuki Ishihara | Director | Reelection |
| 2 | Takayoshi Nakano | Director and Senior Managing Executive Officer In charge of Global Business Strategy Department and Public and Investor Relations Department | Reelection |
| 3 | Mizuho Taneoka | Director and Senior Managing Executive Officer Delegated Chief Executive of Flat Rolled Products Division | Reelection |
| 4 | Kazuhiisa Shibue | Director and Senior Managing Executive Officer Delegated Chief Executive of Research & Development Division, and in charge of Systems Department and Technology Department | Reelection |
| 5 | Kiyoshi Tanaka | Director and Managing Executive Officer | Reelection |
| 6 | Masahiro Teshima | Director and Managing Executive Officer Delegated Vice Chief Executive of Flat Rolled Products Division, and in charge of Marketing and Sales | Reelection |
| 7 | Katsuyasu Niibori | Managing Executive Officer | New election |
| 8 | Akito Imaizumi | Executive Officer In charge of Corporate Planning Department and Finance and Accounting Department | New election |
| 9 | Toshio Suzuki | | Reelection Outside Independent |
| 10 | Ryoko Sugiyama | | Reelection Outside Independent |
| 11 | Takahiro Ikeda | | New election Outside Independent |
| 12 | Akio Sakumiya | | New election Outside Independent |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | | Number of the Company's shares held |
|---------------|--|---|---|-------------------------------------|
| 1 | Miyuki Ishihara (July 9, 1957) Reelection Tenure as Director 3 years Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1981 Oct. 2012 Oct. 2013 June 2015 Apr. 2017 Apr. 2018 | Joined Sumitomo Light Metal Industries, Ltd. Executive Officer Executive Officer of the Company Director and Executive Officer Director and Managing Executive Officer Director of the Company (current position) | 3,141 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Ishihara has long been active in production division operations and has exercised exceptional business execution abilities and strong leadership. Along with the extensive experience in the Company's business, he has accurately identified complex events from a broad standpoint and has made appropriate judgment. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |
| 2 | Takayoshi Nakano (May 11, 1955) Reelection Tenure as Director 8 years Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1978 Apr. 2004 June 2009 June 2010 June 2012 June 2013 Apr. 2015 | Joined Nippon Steel Corporation (currently Nippon Steel & Sumitomo Metal Corporation) General Manager of European Office Advisor of the Company Director Managing Director Director and Managing Executive Officer Director and Senior Managing Executive Officer (current position) Significant concurrent positions outside the Company President of Tri-Arrows Aluminum Holding Inc. | 5,200 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Nakano has long been active in planning division and overseas business division operations and has exercised strong leadership in the global development, including M&As, of the Company and the Group as Director and Senior Managing Executive Officer since April 2015. Along with the extensive experience described above, he has identified the core management issues and has led the strategy formulation. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |
| 3 | Mizuho Taneoka (May 24, 1956) Reelection Tenure as Director 1 year Record of attendance at Board of Directors meetings 11 / 11 (After his appointment as Director) | Apr. 1980 Sept. 2010 Oct. 2012 Oct. 2013 Apr. 2017 June 2017 Apr. 2018 | Joined Sumitomo Corporation Joined Sumitomo Light Metal Industries, Ltd. Executive Officer Executive Officer of the Company Managing Executive Officer Director and Managing Executive Officer Director and Senior Managing Executive Officer (current position) | 3,142 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Taneoka has long been active in sales division operations and has exercised strong leadership in establishing the global sales structure of the Company and the Group. He was appointed Director, Senior Managing Executive Officer and Chief Executive of the Flat Rolled Products Division in April 2018. Along with the extensive experience described above, he has encouraged innovative measures addressing management issues and has promoted the transformation. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | | Number of the Company's shares held |
|---------------|--|---|---|-------------------------------------|
| 4 | Kazuhisa Shibue (August 10, 1955) Reelection Tenure as Director 4 years Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1980 Apr. 2010 Oct. 2013 June 2014 Apr. 2017 | Joined Sumitomo Light Metal Industries, Ltd. Executive Officer Managing Executive Officer of the Company Director and Managing Executive Officer Director and Senior Managing Executive Officer (current position) | 5,445 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Shibue has long been active in R&D division operations and has exercised strong leadership in developing new technologies and products. He was appointed Director, Senior Managing Executive Officer and Chief Executive of the Research and Development Division in April 2018. Along with the extensive experience described above, he has made appropriate judgment about management issues with calmness and boldness. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |
| 5 | Kiyoshi Tanaka (May 5, 1958) Reelection Tenure as Director 8 years Record of attendance at Board of Directors meetings 13 / 14 | Apr. 1981 June 2010 June 2013 | Joined Furukawa Electric Co., Ltd. Director of the Company Director and Managing Executive Officer (current position) Significant concurrent positions outside the Company President and Member of the Board of UACJ Extrusion Corporation | 3,400 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Tanaka has long been active in sales division operations and has exercised strong leadership in establishing the global sales structure of the Company and the Group as Director and Managing Executive Officer since June 2013. Along with the extensive experience described above, he has committed himself to delivering on management strategies and achieving goals, and has achieved results of them. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |
| 6 | Masahiro Teshima (August 4, 1958) Reelection Tenure as Director 1 year Record of attendance at Board of Directors meetings 11 / 11 (After his appointment as Director) | Apr. 1982 Apr. 2014 Apr. 2017 June 2017 | Joined Sumitomo Light Metal Industries, Ltd. Executive Officer of the Company Managing Executive Officer Director and Managing Executive Officer (current position) Significant concurrent positions outside the Company President of UACJ (Shanghai) Aluminum Corporation Chairman of UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH Administrative Officer and Vice President of UPIA Co., Ltd. President of SHANGHAI UACJ DONGYANGGUANG ALUMINUM SALES CORPORATION | 3,100 shares |
| | <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Teshima has long been active in sales division operations and has exercised strong leadership in establishing the global sales structure of the Company and the Group. He was appointed Director, Managing Executive Officer and Vice Chief Executive of the Flat Rolled Products Division in April 2018. Along with the extensive experience described above, he has addressed management issues by involving surrounding people with his unifying force. Consequently, the Company has determined that he is qualified to continue serving as Director and nominates him as a candidate for Director.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | | Number of the Company's shares held |
|---------------|--|---|---|-------------------------------------|
| 7 | Katsuyasu Niibori (August 9, 1958) New election Tenure as Director 1 year | Apr. 1982 | Joined Furukawa Electric Co., Ltd. | 2,800 shares |
| | | June 2007 | General Manager of Planning Department of the Company | |
| | | June 2012 | Director and Deputy General Manager of Sales and Marketing Division, and General Manager of Global Sales & Marketing Department | |
| | | June 2013 | Executive Officer and General Manager of Integration Promotion Department | |
| | | Apr. 2017 | Managing Executive Officer (current position) | |
| | | Significant concurrent positions outside the Company Member of the Board, President & CEO of UACJ Foil Corporation | | |
| | [Reasons for nomination as a candidate for Director] Mr. Niibori has long been active in sales division and planning division operations, and has exercised strong leadership in establishing the global sales structure of the Company and the Group, as well as in formulating and promoting management plans. He was appointed Managing Executive Officer in April 2017. Along with the extensive experience described above, he has led the organization by cultivating the environment that allows employees to utilize their different talents and involving surrounding people with his unifying force. Consequently, the Company has determined that he is qualified to serve as Director and nominates him as a candidate for Director. | | | |
| 8 | Akito Imaizumi (October 24, 1960) New election | Apr. 1983 | Joined Sumitomo Light Metal Industries, Ltd. | 1,625 shares |
| | | Sept. 2012 | General Manager of Planning & Control Department, Corporate Administrative Division | |
| | | Oct. 2013 | General Manager of Corporate Planning Department of the Company | |
| | | Apr. 2014 | Executive Officer and General Manager of Corporate Planning Department | |
| | | Apr. 2018 | Executive Officer (current position) | |
| | [Reasons for nomination as a candidate for Director] Mr. Imaizumi has long been active in accounting and planning division operations and has exercised strong leadership in formulating and promoting management plans for the Company and the Group. He has been in charge of Corporate Planning Department and Accounting Department since April 2018. Along with the extensive experience described above, he has flexibly and appropriately addressed issues even in difficult situations. Consequently, the Company has determined that he is qualified to serve as Director and nominates him as a candidate for Director. | | | |
| 9 | Toshio Suzuki (May 19, 1947) Reelection Outside Independent Tenure as Director 4 years and 9 months Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1988 | Assistant Professor of University of Tokyo | 1,200 shares |
| | | June 1994 | Professor | |
| | | Apr. 1995 | Professor of Graduate School | |
| | | Mar. 2012 | Retired from University of Tokyo | |
| | | June 2012 | Professor Emeritus of University of Tokyo (current position) | |
| | | Oct. 2013 | Director of the Company (current position) | |
| | [Reasons for nomination as a candidate for outside Director] Mr. Suzuki does not have corporate managerial experience, but since his appointment as Director, he has provided valuable advice regarding the Company's overall management from an objective perspective based on extensive academic experience as a professor emeritus, and has fulfilled its supervisory function appropriately through the Board of Directors. The Company has determined that he is qualified to continue serving as outside Director and nominates him as a candidate for outside Director. Furthermore, the Company has judged that Mr. Suzuki is independent from the Company and there would be no possibility of a conflict of interest with general shareholders. | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | Number of the Company's shares held |
|--|--|--|-------------------------------------|
| 10 | <p>Ryoko Sugiyama (July 27, 1955) Reelection Outside Independent</p> <p>Tenure as Director 3 years Record of attendance at Board of Directors meetings 12 / 14</p> | <p>May 1996 Established Sugiyama & Kurihara Environmental Consultants, Inc., Representative Director</p> <p>Dec. 1997 Director of Gifu Shimbun</p> <p>Dec. 1999 Director of Gifu Broadcasting System, Inc. (current position)</p> <p>Aug. 2007 Director of Sugiyama & Kurihara Environmental Consultants, Inc. (current position)</p> <p>Dec. 2009 Owner of Gifu Shimbun</p> <p>Apr. 2010 Professor, Fuji Tokoha University (currently Tokoha University) Faculty of Social and Environmental Studies (resigned in March 2017)</p> <p>June 2010 Outside Director of Lecip Holdings Corporation</p> <p>May 2014 Owner, Director and Chairman of Gifu Shimbun (current position)</p> <p>June 2015 Director of the Company (current position)</p> <p>Jan. 2016 Representative Director of non-government incorporated foundation (currently public interest incorporated foundation) Gifu Sugiyama Memorial Foundation (current position)</p> <p>June 2016 Outside Director and Audit & Supervisory Committee Member of Lecip Holdings Corporation (current position)</p> <p>June 2017 Outside Director of Kurita Water Industries Ltd. (current position)</p> <p>Significant concurrent positions outside the Company Owner, Director and Chairman of Gifu Shimbun Representative Director of public interest incorporated foundation Gifu Sugiyama Memorial Foundation Outside Director and Audit & Supervisory Committee Member of Lecip Holdings Corporation Outside Director of Kurita Water Industries Ltd.</p> | 300 shares |
| <p>[Reasons for nomination as a candidate for outside Director] Since appointment as Director, Ms. Sugiyama has provided valuable advice regarding the Company's overall management based on extensive academic experience as a university professor and experience as a director involved in corporate management, and has fulfilled its supervisory function appropriately through the Board of Directors. The Company has determined that she is qualified to continue serving as outside Director and nominates her as a candidate for outside Director. Furthermore, the amounts of transactions with Gifu Shimbun, public interest incorporated foundation Gifu Sugiyama Memorial Foundation, Lecip Holdings Corporation, and Kurita Water Industries Ltd. are less than 0.1% of the Company's total consolidated sales, and said companies and said foundation do not have any special business relationship with the Company, therefore, the Company has judged that Ms. Sugiyama is independent from the Company and there would be no possibility of a conflict of interest with general shareholders.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | Number of the Company's shares held |
|--|--|--|-------------------------------------|
| 11 | Takahiro Ikeda (July 9, 1951) New election Outside Independent | <p>Apr. 1975 Joined Mitsubishi Chemical Industries Limited (currently Mitsubishi Chemical Corporation)</p> <p>Apr. 2006 Executive Officer and Deputy Division General Manager of Polymer Division of Mitsubishi Chemical Corporation (currently Mitsubishi Chemical Corporation)</p> <p>Apr. 2007 Executive Officer and General Manager of Chemical Division</p> <p>July 2008 Director and President of Dia Chemical Co., Ltd.</p> <p>June 2010 Managing Executive Officer of Mitsubishi Rayon Co., Ltd. (currently Mitsubishi Chemical Corporation)</p> <p>Apr. 2013 Director of the Board and Managing Executive Officer</p> <p>Mar. 2015 Advisor (resigned in March 2016)</p> <p>Apr. 2016 Executive Advisor of ITOCHU CHEMICAL FRONTIER Corporation (resigned in March 2018)</p> <p>May 2017 Representative Director of TI Associate Co., Ltd. (Current position)</p> <p>Significant concurrent positions outside the Company Representative Director of TI Associate Co., Ltd.</p> | 0 shares |
| <p>[Reasons for nomination as a candidate for outside Director]</p> <p>Mr. Ikeda has served as a director of a major chemical manufacturer, has gained extensive experience and in-depth knowledge through his involvement in the management of said company as well as the management of the group companies of said company. The Company has determined that he is qualified to fulfill its supervisory function appropriately through the Board of Directors, in addition to utilizing his extensive perspectives on management that have been acquired over the course of his career and providing valuable advice regarding the Company's overall management, and nominates him as a candidate for outside Director. Furthermore, the amounts of transactions with Mitsubishi Chemical Corporation, ITOCHU CHEMICAL FRONTIER Corporation, and TI Associate Co., Ltd. are less than 0.2% of the Company's total consolidated sales, and said companies do not have any special business relationship with the Company, therefore, the Company has judged that Mr. Ikeda is independent from the Company and there would be no possibility of a conflict of interest with general shareholders.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | Number of the Company's shares held |
|--|---|---|-------------------------------------|
| 12 | Akio Sakumiya (September 10, 1952) New election Outside Independent | <p>Apr. 1975 Joined Tateisi Electronics Manufacturing Company (currently OMRON Corporation)</p> <p>June 2003 Executive Officer, General Manager of Amusement Equipment Business Division of OMRON Corporation, and President and CEO of OMRON Ichinomiya Co., Ltd. (currently OMRON AMUSEMENT CO., Ltd.)</p> <p>Apr. 2009 Executive Officer, Company President of Electronic Components Business Company of OMRON Corporation</p> <p>June 2010 Managing Executive Officer, Company President of Electronic and Mechanical Components Company</p> <p>June 2011 Senior Managing Director</p> <p>June 2014 Director and Executive Vice President (resigned June 2017)</p> <p>Mar. 2018 Outside Audit & Supervisory Board Member of Asahi Glass Co., Ltd. (current position)</p> <p>Significant concurrent positions outside the Company Outside Audit & Supervisory Board Member of Asahi Glass Co., Ltd.</p> | 0 shares |
| <p>[Reasons for nomination as a candidate for outside Director]</p> <p>Mr. Sakumiya has served as a director and executive vice president of a major electronic components manufacturer, has gained extensive experience and knowledge in corporate governance through his involvement in the management of said company and the group companies of said company, as well as through serving as a committee member and vice chairperson of various advisory committees relating to human resources and remuneration for directors and like of said company. The Company has determined that he is qualified to fulfill its supervisory function appropriately through the Board of Directors, in addition to utilizing his extensive perspectives on management that have been acquired over the course of his career and providing valuable advice regarding the Company's overall management, and nominates him as a candidate for outside Director. Furthermore, the amounts of transactions with OMRON Corporation and Asahi Glass Co., Ltd., are less than 0.1% of the Company's total consolidated sales and said companies do not have any special business relationship with the Company, therefore, the Company has judged that Mr. Sakumiya is independent from the Company and there would be no possibility of a conflict of interest with general shareholders.</p> | | | |

- Notes:
1. There are no special interests between any of the candidates and the Company.
 2. Matters regarding candidates for outside Director
 - (1) The Company has provided notice to the Tokyo Stock Exchange for appointing Mr. Toshio Suzuki and Ms. Ryoko Sugiyama as independent directors of the Company. If re-elected, they will both remain independent directors. In addition, the Company has plans to provide notice to the stock exchange for appointing Mr. Takahiro Ikeda and Mr. Akio Sakumiya as independent directors of the Company.
 - (2) Mr. Toshio Suzuki and Ms. Ryoko Sugiyama are currently outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as outside Directors will have been four years and nine months, and three years, respectively.
 - (3) The Company has entered into limited liability agreements with Mr. Toshio Suzuki and Ms. Ryoko Sugiyama pursuant to the Articles of Incorporation limiting their liability to pay compensation for damage to the total amount specified in Article 425, paragraph 1 of the Companies Act. If they are re-elected, the Company plans to maintain those agreements. In addition, in the event of the election of both Mr. Takahiro Ikeda and Mr. Akio Sakumiya being approved, the Company plans to execute similar such agreements that limits their liability.

Proposal No. 3 Election of Six (6) Audit & Supervisory Board Members

At the conclusion of this meeting, the terms of office of all four (4) Audit & Supervisory Board Members will expire. Therefore, the Company proposes the election of six (6) Audit & Supervisory Board Members to further enhance the audit system.

It should be noted that the consent of the Audit & Supervisory Board has been obtained for this Proposal.

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

| Candidate No. | Name | Current position in the Company | Notes |
|---------------|-------------------|--|--|
| 1 | Hisashi Hasegawa | Director | New election |
| 2 | Nobuhiro Ishihara | Full-time Audit & Supervisory Board Member | Reelection |
| 3 | Akari Asano | Audit & Supervisory Board Member | Reelection Outside Independent |
| 4 | Yuki Iriyama | | New election Outside |
| 5 | Hiroyuki Yamasaki | | New election Outside Independent |
| 6 | Yoshiro Motoyama | | New election Outside Independent |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | | Number of the Company's shares held |
|---------------|---|---|--|-------------------------------------|
| 1 | Hisashi Hasegawa (April 5, 1955) New election Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1980 June 2009 June 2012 June 2013 June 2015 Apr. 2018 | Joined Furukawa Electric Co., Ltd. Director of the Company Managing Director Managing Executive Officer Director and Managing Executive Officer Director (current position) | 8,200 shares |
| | [Reasons for nomination as a candidate for Audit & Supervisory Board Member] Mr. Hasegawa has long been active in accounting and finance division operations and has a wealth of experience and in-depth knowledge in finance and accounting. From his experience as Director of the Company, he has acquired a deep understanding of the compliance system and business operation of the Company and the Group. Consequently, the Company has determined that he is qualified to serve as Audit & Supervisory Board Member and nominates him as a candidate for Audit & Supervisory Board Member. | | | |
| 2 | Nobuhiro Ishihara (June 26, 1957) Reelection Tenure as Audit & Supervisory Board Member 8 years Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1980 Oct. 2003 June 2004 June 2008 May 2009 June 2010 | Joined Furukawa Electric Co., Ltd. General Manager of General Affairs Department, Fukui Works, Rolled Products Division of the Company General Manager of General Affairs Division of Nuclear Fuel Industries, Ltd. Director and General Manager of General Affairs Department Executive Officer and General Manager of General Affairs Department Audit & Supervisory Board Member of the Company (current position) | 4,700 shares |
| | [Reasons for nomination as a candidate for Audit & Supervisory Board Member] Mr. Ishihara has long been active in accounting and finance division operations and has a wealth of experience and in-depth knowledge in finance and accounting. Since June 2010, when he was appointed as full-time Audit & Supervisory Board Member, he has appropriately conducted audits and made beneficial remarks concerning the compliance system and business operation of the Company and the Group, etc. Consequently, the Company has determined that he is qualified to continue to serve as Audit & Supervisory Board Member and nominates him as a candidate for Audit & Supervisory Board Member. | | | |
| 3 | Akari Asano (October 7, 1946) Reelection Outside Independent Tenure as Audit & Supervisory Board Member 9 years Record of attendance at Board of Directors meetings 14 / 14 | Apr. 1970 June 2003 June 2004 June 2008 June 2009 June 2013 | Joined Mitsubishi Rayon Co., Ltd. (currently Mitsubishi Chemical Corporation) General Manager of General Affairs Department Senior Director Resigned from Mitsubishi Rayon Co., Ltd. Outside Audit & Supervisory Board Member of Sumitomo Light Metal Industries, Ltd. Audit & Supervisory Board Member of the Company (current position) | 0 shares |
| | [Reasons for nomination as a candidate for outside Audit & Supervisory Board Member] Mr. Asano has appropriately conducted audits and made beneficial remarks as an outside Audit & Supervisory Board Member of the Company, using the knowledge and experience, etc., that he has accumulated through his career involved in the management of the company and the group with upper level positions such as General Manager of General Affairs of said company. Consequently, the Company has determined that he is qualified to continue to serve as Audit & Supervisory Board Member and nominates him as a candidate for outside Audit & Supervisory Board Member. Furthermore, the Company has judged that Mr. Asano is independent from the Company and there would be no possibility of a conflict of interest with general shareholders. | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | Number of the Company's shares held |
|---|--|---|-------------------------------------|
| 4 | Yuki Iriyama (November 19, 1947) New election Outside | Apr. 1970 Joined Nippon Steel Corporation (currently Nippon Steel & Sumitomo Metal Corporation) Apr. 1999 General Manager of Overseas Business Development Division June 2002 Director, Member of the Board, and General Manager of Overseas Business Development Division Apr. 2006 Senior Executive Officer, Member of the Board June 2009 Executive Advisor Oct. 2012 Executive Advisor of Nippon Steel & Sumitomo Metal Corporation June 2014 Advisor (part-time) (resigned in June 2015) Mar. 2015 Of Counsel of Kajitani Law Offices (current position) May 2017 Director of Vallourec S.A. (France) (current position) Significant concurrent positions outside the Company Director of Vallourec S.A. (France) | 0 shares |
| <p>[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]</p> <p>Mr. Iriyama has served as a managing director of a major steelmaker, and has gained extensive experience and in-depth knowledge of corporate management. In addition, utilizing the advanced expert knowledge of the law that he has accumulated through his work as an attorney deeply involved in corporate legal affairs, the Company has determined that he is qualified to perform audits appropriately and give beneficial advice regarding the Company and the Group to develop the business globally, and nominates him as a candidate for outside Audit & Supervisory Board Member. Furthermore, the amount of transactions with Nippon Steel & Sumitomo Metal Corporation, Kajitani Law Offices, and Vallourec S.A. (France) is less than 0.1% of the Company's total consolidated sales; said companies and said law office do not have any special business relationship with the Company.</p> | | | |
| 5 | Hiroyuki Yamasaki (September 5, 1954) New election Outside Independent | Oct. 1982 Joined Audit Corporation Chuo Kaikei Office Sept. 1994 Partner of Chuo Audit Corporation Aug. 2000 Representative Partner of Chuo Aoyama Audit Corporation Oct. 2005 Director May 2006 Acting Chief Director Nov. 2007 Senior Partner of Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC) Aug. 2008 Managing Director July 2013 Auditor of Japan Venture Capital Association July 2017 Director of CPA Hiroyuki Yamasaki Offices (current position) Dec. 2017 Outside Director of Land Business Co., Ltd. (current position) Significant concurrent positions outside the Company Director of Hiroyuki Yamasaki CPA Office Outside Director of Land Business Co., Ltd. | 0 shares |
| <p>[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]</p> <p>Mr. Yamasaki has gained extensive experience and in-depth knowledge of finance and accounting as a certified public accountant concentrating in corporate finance. In addition, utilizing the advanced expert accounting knowledge that he has accumulated through his career, the Company has determined that he is qualified to perform audits appropriately and give beneficial advice regarding the Company and the Group to develop the business globally, and nominates him as a candidate for outside Audit & Supervisory Board Member. Furthermore, the amounts of transactions with Ernst & Young ShinNihon LLC, Hiroyuki Yamasaki CPA Office and Land Business Co., Ltd., are less than 0.1% of the Company's total consolidated sales, and said auditing firm, said accounting office, and said company do not have any special business relationship with the Company, therefore, the Company has judged that Mr. Yamasaki is independent from the Company and there would no possibility of a conflict of interest with general shareholders.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position in the Company, and significant concurrent positions outside the Company | Number of the Company's shares held |
|---|--|--|-------------------------------------|
| 6 | Yoshiro Motoyama (March 14, 1956) New election Outside Independent | <p>Apr. 1980 Joined MITSUBISHI MOTORS CORPORATION</p> <p>Apr. 2003 Senior Expert of Product Engineering Department, Production Division of Mitsubishi Fuso Truck and Bus Corporation</p> <p>Apr. 2005 General Manager of Product Engineering Department, Production Division</p> <p>Aug. 2010 Technology Management Executive Manager of Production Division</p> <p>Mar. 2014 Member of the Board, Senior Vice President</p> <p>Aug. 2017 Director and CTO of Takenaka Co.Ltd. (current position)</p> <p>Significant concurrent positions outside the Company Director and CTO of Takenaka Co.Ltd.</p> | 0 shares |
| <p>[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]</p> <p>Mr. Motoyama has served as a director and senior vice president of a major automobile manufacturer, and has gained extensive experience and in-depth knowledge of corporate management. In addition, utilizing a broad perspective that he has accumulated through his career, the Company has determined that he is qualified to perform audits appropriately and give beneficial advice regarding the Company and the Group to develop the business globally, and nominates him as a candidate for outside Audit & Supervisory Board Member. The Company has no transactions with Mitsubishi Fuso Truck and Bus Corporation and Takenaka Co.Ltd. Both companies do not have any special business relationship with the Company, therefore, the Company has judged that Mr. Motoyama is independent from the Company and there would be no possibility of a conflict of interest with general shareholders.</p> | | | |

- Notes:
1. There are no special interests between any of the candidates and the Company.
 2. Matters regarding candidates for outside Audit & Supervisory Board Member
 - (1) The Company has provided notice to the Tokyo Stock Exchange for appointing Mr. Akari Asano as an independent audit & supervisory board member of the Company. If re-elected, he will remain an independent audit & supervisory board member. In addition, the Company has plans to provide notice to the stock exchange for appointing Mr. Hiroyuki Yamasaki and Mr. Yoshiro Motoyama as independent audit & supervisory board members of the Company.
 - (2) Mr. Akari Asano is currently an outside Audit & Supervisory Board Member of the Company. At the conclusion of this meeting, his tenure since assuming office as outside Audit & Supervisory Board Member will have been nine years.
 - (3) The Company has entered into a limited liability agreement with Mr. Akari Asano pursuant to the Articles of Incorporation limiting his liability to pay compensation for damage to the total amount specified in Article 425, paragraph 1 of the Companies Act. If he is re-elected, the Company plans to maintain this agreement. In addition, in the event of the election of Mr. Yuki Iriyama, Mr. Hiroyuki Yamasaki, and Mr. Yoshiro Motoyama being approved, the Company plans to execute similar such agreements that limit their liability.

[Reference information for revision of remuneration system for Directors related to Proposal No. 4 and No. 5]

In order for the Directors to meet the expectations of various stakeholders and to contribute to the continued creation of profits with which the Company can contribute widely to society through steady and sound business development, as well as to share the merits and risks of stock price fluctuations with shareholders, and in order to further enhance the motivation of the Directors to contribute to increasing stock price and corporate value and improving the medium- to long-term business results, the Company has determined to fully revise the remuneration system for Directors, formulate short term performance-linked remuneration and introduce medium- to long-term performance-linked remuneration system. Based on the above, the Company intends to introduce the remuneration system for Directors consisting of (1) basic remuneration of a fixed amount that is paid monthly, (2) short term performance-linked remuneration that is paid on a yearly basis, and (3) medium- to long-term performance-linked remuneration that is paid on a multi-year basis.

The Company is proposing the revisions as stated in (1) and (2) above in Proposal No. 4, and is proposing (3) above in Proposal No. 5.

Proposal No. 4 and Proposal No. 5 have been resolved by the Board of Directors, based on the response from Company's Nomination and Remuneration Advisory Committee.

Proposal No. 4 Revision of Amount of Remuneration for Directors

The amount of remuneration for Directors of the Company was resolved at the Ordinary General Meeting of Shareholders of Furukawa-Sky Aluminum Corp., held on June 28, 2006, as being up to ¥450 million per year (however, this amount does not include the employee salary part for persons serving as employee and Director), which has been unchanged through to the present day.

With the objective of having a remuneration system that enhances the Directors to meet the expectations of various stakeholders and to contribute to the continued creation of profits with which the Company can contribute widely to society through steady and sound business development, the Company would today like to revise the total amount of remuneration to be paid to Directors by (1) basic remuneration that is fixed monthly and (2) short term performance-linked remuneration that is paid on a yearly basis, to no more than ¥650 million per year (including ¥80 million per year for outside Directors), taking into overall consideration the total amount of remuneration paid, the levels at other companies, and the number of Directors, etc. For concepts on remuneration for directors of the Company, including details on the mechanism for short term performance-linked remuneration please refer to the reference information below entitled "The Company's Remuneration Policy for Directors & Officers" on page 19.

Furthermore, remuneration for outside Directors shall consist solely of the basic remuneration in (1) above, as the main responsibility of outside Directors is to monitor from an objective and independent perspective.

As per past treatment, the employee salary for persons serving as employee and Director shall not be included in the amount of director remuneration. The amount of remuneration for each Director shall be determined by resolution of the Board of Directors within the framework above.

At the present time there are eleven (11) Directors (of which two (2) are outside Directors), however if Proposal No. 2 "Election of Twelve (12) Directors" is approved as originally proposed, there will be twelve (12) Directors (of which four (4) will be outside Directors).

Proposal No. 5 Determination of Remuneration for Directors (Excluding Outside Directors) under the Medium-To Long-Term Performance-Linked Remuneration System

With the purpose for the Directors of the Company (excluding outside Directors, hereinafter referred to as “Subject Directors”) to share the merits and risks of stock price fluctuations with our shareholders, and to further enhance their motivation to contribute to stock price rises, corporate value improvement, and the mid to long term performance improvement, the Company is planning, as part of its review of the director remuneration system, to introduce a medium- to long-term performance-linked remuneration system spanning multiple fiscal terms in the form of a Performance Share Unit System, in which payment is made in the form of common shares of the Company and cash (hereinafter the medium- to long-term performance-linked remuneration system of the Company is referred to as “the System.” “(3) medium- to long-term performance-linked remuneration that is paid on a multi-year basis” on page 15 falls applicable to this System.).

In regard to this, and in comprehensive consideration of various matters such as the level of contribution of Subject Directors at the Company, as a separate element to the revised amount of remuneration of Directors, proposed in Proposal No. 4, the Company would like to set the total amount of monetary remuneration receivables and cash in the form of medium- to long-term performance-linked remuneration provided to Subject Directors as a total amount over the three fiscal terms of each subject period as an amount no greater than the total obtained by multiplying 180,000 shares by the share price at the time of issue (defined in (2) (iii) below). For concepts on remuneration for directors of the Company, including details on the mechanism for the System, please refer to the reference information below entitled “The Company’s Remuneration Policy for Directors & Officers” on page 19.

At the present time there are eleven (11) Directors (of which two (2) are outside Directors), however if Proposal No. 2 is approved as originally proposed, there will be twelve (12) Directors (of which four (4) will be outside Directors and eight (8) will be the Subject Directors).

* The performance share unit system is a performance-linked stock-based remuneration system in which a certain number of units (one (1) unit = one (1) share) are granted to eligible directors in accordance with their position, and after the defined performance evaluation period has passed, the number of share units are increased or decreased in accordance with the level of achievement of the performance targets, etc., set in advance, and where shares of common stock and money are paid in accordance with the number of units.

Notation

(1) Outline of the System

The System is a medium- to long-term performance-linked remuneration system under which the Company’s Board of Directors sets for the Subject Directors numerical targets for the Company’s performance during the applicable term of the Company’s medium term management plan (hereinafter referred to as “Applicable Term.” It should be noted that the initial Applicable Term shall be from the fiscal term ending March 31, 2019 to the fiscal term ending March 31, 2021, and even after the ending of the initial Applicable Term, the System may be implemented continuously by setting the three (3) consecutive fiscal terms following the fiscal term that begins immediately after the end of each Applicable Term as a new Applicable Term, within the range approved at this General Meeting of Shareholders). The Company issues shares of common stocks of the Company and pay cash to the Subject Directors according to the achievement rate of the numerical targets, as the remuneration for each Applicable Term.

As described above, since the shares of the Company’s common stocks will be issued and cash will be provided according to the achievement rate of the numerical targets stated above, etc., whether the shares of common stocks of the Company and cash will be delivered and provided and the number of shares to be issued and the amount of cash to be provided will not be determined at the time the System is introduced.

(2) Structure of the System

The specific mechanism of the System is as described below.

- (i) The Company shall determine, at the Company’s Board of Directors, each of the numerical targets used in the System (set in accordance with consolidated ROIC, consolidated adjusted EBITDA, etc.), calculation methods of payment rate in accordance with the achievement rate of the targets, and

calculation formulas that are required for specifically calculating the number of the shares of the Company's common stocks to be issued and the amount of cash to be provided to the Subject Directors.

- (ii) Once the Applicable Term ends, the number of the shares of the Company's common stocks to be issued and the amount of cash to be provided to each Subject Director will be determined based on payment rate in accordance with the achievement rate of the numerical targets during the Applicable Term.
- (iii) The Company will issue monetary remuneration receivables, the amounts of which are determined in accordance with the number of shares of the Company's common stocks to be issued to each Subject Director as determined in the above (ii), for each Subject Director for the purpose of contributing them in kind, and such Subject Director will receive the allotted shares of common stocks by paying all the concerned monetary remuneration receivables in kind to the Company. The paid-in amount for such shares shall be determined by the Company's Board of Directors, to the extent that it is unduly favorable to each Subject Director who is receiving the shares, based on the closing price of shares of the Company's common stocks on the Tokyo Stock Exchange on the business day before the date of the resolution of the Company's Board of Directors on said issuance or disposal (if transaction is not completed on the same day, the closing price of the most recent trading day before that; hereinafter referred to as the "Share Price at Time of Issue").
- (iv) To secure the funds the Subject Directors need for tax obligations in connection with the allotment of the above mentioned shares, in addition to the monetary remuneration receivables described in the above (iii), the Company will pay the amount of cash decided in accordance with the above (ii) to the Subject Directors.

(3) Calculation methods to determine the number of shares of the Company's common stocks to be issued and cash amount to be provided to each Subject Director under the System

The Company will calculate the number of shares of the Company's common stocks to be issued and cash amount to be provided to each Subject Director in accordance with the following.

- (i) In the first fiscal term of the Applicable Term, each Subject Director is allotted units to the number obtained by dividing the base amount *1 by the market share price at the time of the allotment of units *2 (however, in the event of the calculation resulting in a fraction of less than one (1) unit, this shall be rounded off).
- (ii) The number of units held by each Subject Director shall be confirmed after the completion of the relevant Applicable Term by multiplying the number of units allotted to each Subject Director in (i) above by the payment rate determined in accordance with the achievement rate of each target during the Applicable Term (to vary within the range of 0% and 200%).
- (iii) Each unit held by each Subject Director to the number confirmed in (ii) above shall be converted to the number of shares at the rate of one share per unit. Half of these shall be issued in the form of shares of the Company's common stocks, and the remaining half shall be converted to cash in accordance with the market stock price at time of issuance *3 and paid to each Subject Director. The Company will calculate the number of shares of the Company's common stocks to be issued and cash amount to be paid in accordance with the following.
 - (a) Shares of the Company's Common Stocks to be issued
$$\text{Base Amount *1} \div \text{Share Price at Time of Allotment of Units *2} \times \text{Payment Rate} \times 50\%$$
 - (b) Amount of cash to be paid
$$\{\text{Base Amount *1} \div \text{Share Price at Time of Allotment of Units *2} \times \text{Payment Rate} \times 50\%\} \times \text{Share Price at Time of Issue *3}$$

*1 This Base Amount will be determined individually at the Company's Board of Directors based on an amount equivalent to three (3) years' worth of standard value of the medium- to long-term performance-linked remuneration for each position.

*2 The Share Price at Time of Allotment of Units is the average closing share price for the one (1) month period directly prior to the day before the meeting of the Board of Directors at which the agenda for the ordinary general meeting of shareholders to be held in the first fiscal term of the three (3) year period is resolved. Further, the Share Price at Time of Allotment of Units for the current Applicable Period is ¥2,820, which is the average closing price for the period from April 9, 2018 until May 8, 2018.

*3 The Share Price at Time of Issue is defined in (2) (iii) above.

It should be noted that the total amount of the monetary remuneration receivables of (2) (iii) and the moneys of (2) (iv) stated above shall be limited to the amount obtained by multiplying 180,000 shares of the Company's common shares by the Share Price at Time of Issue during the three (3) year period, the Applicable Term. In addition, the maximum total number of the shares of the Company's common stocks to be issued to Subject Directors based on the System during the each Applicable Term shall be 90,000 shares (corresponding to 0.19% of the total number of shares issued by the Company). However, if the total number of shares issued by the Company increases/decreases due to consolidation of shares, share split, allocation of shares without contribution etc., the number of common shares of the Company serving as basis for the calculation of the total amount above (180,000 shares), the maximum number of the shares of the Company's common stocks described above (90,000 shares), and the number of the shares of the Company common stocks provided to each Subject Director will be adjusted in accordance with the percentage of such increase or decrease.

In addition, in cases where there is a possibility that the maximum amount of the monetary remuneration receivables and cash or the maximum number of the shares of the Company's common stocks prescribed above will be exceeded due to the issuance of the shares of the Company's common stocks to the number prescribed above and the payment of cash to the amount prescribed above, a reduction shall be performed by a reasonable method prescribed by the Company's Board of Directors, such as a proportional reduction in the number of shares to be allocated to each Subject Director, within the range that the maximum described above is not exceeded.

- (4) Conditions for issuing the shares of the Company's common stocks and providing cash to Subject Directors
- Under the System, the Company will provide the shares of the Company's common stocks and cash to Subject Directors if the following conditions are fulfilled after the Applicable Term ends. The shares of the Company's common stocks will be provided to the Subject Directors through the issuance of shares or the disposal of treasury stock. The Subject Directors who will receive these shares and the subscription requirements for such issuance of the shares or disposal of treasury stock will be decided by the Company's Board of Directors after the Applicable Term in accordance with the requirements stated in (i) or (iii) below and calculation method described in (3) above.
- (i) The Subject Director continuously served as a Director of the Company throughout the Applicable Term
 - (ii) There was no misconduct as defined by the Company's Board of Directors
 - (iii) Other requirements that are determined by the Company's Board of Directors as necessary to achieve the objectives as medium- to long-term performance-linked remuneration system are fulfilled
- * Notwithstanding (i) stated above, should a Subject Director resign his/her position as a Director of the Company during the Applicable Term, the Company will provide such Subject Director with the money equivalent to the number of units prorated based on a reasonable method prescribed by the Company's Board of Directors for his/her term of office up to such resignation during the Applicable Term. In addition, a Director that is newly appointed during the Applicable Term shall be provided with the shares of the Company's common stocks and money prorated based on the period of service from the day of the appointment.

[Reference]

On the condition that this Proposal is approved at this General Meeting of Shareholders, the Company is planning to introduce medium- to long-term performance-linked remuneration system to that in this Proposal to Executive Officers of the Company who are not concurrently serving as Directors.

(Reference Information) [The Company's Remuneration Policy for Directors & Officers]

The Company's Remuneration Policy for Directors and Officers related to Proposal No. 4 and No. 5 is as follows:

(1) Concepts on remuneration for directors & officers

The Company's remuneration system for directors & officers shall exist in order for the Directors and Officers to meet the expectations of various stakeholders and to contribute to the continued creation of profits with which the Company can contribute widely to society through steady and sound business development. To achieve the aforementioned, the specific concepts are described below.

- 1) A remuneration system that adds motivations towards achieving the performance targets (short term and medium to long term) based on the Company's business strategy
- 2) A remuneration system that provides competitive remuneration levels to secure talented personnel who can lead the Company's growth and to enhance the personnel's motivation to contribute
- 3) The process of deciding the remuneration system that is highly objective and transparent
- 4) A remuneration system in which interests are shared with shareholders, and that leads to increased shareholder value

(2) Remuneration system

- 1) The remuneration for Directors (excludes outside Directors) of the Company comprises of basic remuneration in the form of fixed remuneration, short term performance-linked remuneration tied to the level of achievement of the Company's performance in a single fiscal term, and medium to long term performance-linked remuneration that is tied to the level of achievement of the Company's medium to long term performance. The remuneration for outside Directors is limited to the basic remuneration in consideration of their respective roles.
- 2) The amount of short term performance-linked remuneration (standard amount: refers to the amount for which the payment rate is 100%; the same shall apply hereinafter) is approximately 25% of basic remuneration for each position.
- 3) The amount of medium to long term performance-linked remuneration (standard amount) for a single fiscal term is equivalent to approximately 25% of basic remuneration for each position.

(3) Structure of the performance-linked remuneration

- 1) Short term performance-linked remuneration comprises of (i) portion based on company-wide performance evaluation, (ii) portion based on divisional performance evaluation, and (iii) portion based on personal evaluation. However, for the President, in consideration of the duties of his/her position, the remuneration shall comprise of the company-wide performance evaluation part only. The payment amount will vary based on performance in each fiscal term, and payment shall be made once per year.
 - (i) For the portion based on company-wide performance evaluation, consolidated net income, consolidated ROIC, and consolidated ordinary income before inventory evaluation shall be used as performance evaluation indicators. The amount of the portion shall be subject to change within the range from 0% to 200% in accordance with the level of achievement, on the basis that the payment rate is 100% if the achievement rate against the targets is 100%.
 - (ii) For the portion based on divisional performance evaluation, divisional ordinary income, division ROIC, and division ordinary income before inventory evaluation shall be used as performance evaluation indicators. The amount of the portion shall be subject to change within the range from 0% to 200% in accordance with the level of achievement, on the basis that the payment rate is 100% if the achievement rate against the targets is 100%.
 - (iii) For the portion based on personal evaluation, as this mainly involves the qualitative evaluation of important efforts not reflected in the company-wide and divisional performance for a single fiscal term, it is determined through evaluation by the President. Further, the weight of the portion based on personal evaluation is around 10% of overall short term performance-linked remuneration.
- 2) Medium to long term performance-linked remuneration is a mechanism where performance share units (PSU) using shares in kind is employed to provide shares and money in accordance with the level of achievement of medium to long term performance. The amount will vary based on performance during the evaluation period (three (3) years), and payment shall be made once every three (3) years. An overview of the PSU mechanism is described below.

- (i) For the initial fiscal term of the evaluation period, units corresponding to the base amount of medium to long term performance-linked remuneration (standard amount for three (3) years) shall be allotted to the subject recipients.
(one (1) unit = one (1) share)
 - (ii) In regard to performance evaluation indicators, average consolidated ROIC over the three (3) year period and cumulative consolidated adjusted EBITDA over the three (3) year period are used, and based on the payment rate being 100% if the achievement rate against the targets initially set for the three (3) year period is 100%, the amount shall vary within the range from 0% to 200%, in accordance with the level of achievement.
 - (iii) After the completion of the evaluation period, half of the confirmed number of units shall be issued in the form of shares. Further, the remaining half shall be paid in cash for use to pay the income tax incurred by the recipients at the time of the issuance of shares.
- (4) Remuneration levels, remuneration determination procedures
- 1) The remuneration level is determined through comparisons with companies of similar size and business, etc., to the Company, in reference to director/officer remuneration survey data from external specialist agencies.
 - 2) The policies and specific contents of the Company's director & officer remuneration shall be deliberated by the Nomination and Remuneration Advisory Committee, and determined by the Board of Directors in response to the Committee's report.
 - 3) Over half of the Nomination and Remuneration Advisory Committee is comprised of independent outside Directors and independent outside Audit & Supervisory Board Members, and in addition, sufficient information is provided to the Committee members by obtaining advice from external specialist agencies as necessary.

Proposal No. 6 Revision of Amount of Remuneration for Audit & Supervisory Board Members

The amount of remuneration for Audit & Supervisory Board Members of the Company was approved at the Ordinary General Meeting of Shareholders of Furukawa-Sky Aluminum Corp., held on June 28, 2006, as being up to ¥75 million per year, which has been unchanged through to the present day. In consideration of various other circumstances, such as the change in the economic situation and the levels of other companies, and based on the increase in the number of Audit & Supervisory Board Members, the Company proposes to revise the amount of remuneration for Audit & Supervisory Board Members to up to ¥100 million per year.

Further, the amount of remuneration for each Audit & Supervisory Board Member shall be prescribed upon consultation with the Audit & Supervisory Board within the framework above. At the present time, there are four (4) Audit & Supervisory Board Members (of which three (3) are outside Audit & Supervisory Board Members), however if Proposal No. 3 is approved as originally proposed, there will be six (6) Audit & Supervisory Board Members (of which four (4) will be outside Audit & Supervisory Board Members).