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Securities code: 5451
May 31, 2018

To our shareholders:

Takaaki Kawamoto
President and Representative Director
Yodogawa Steel Works, Ltd.
4-1-1 Minami-honmachi, Chuo-ku, Osaka

NOTICE OF THE 119TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 119th Ordinary General Meeting of Shareholders of Yodogawa Steel Works, Ltd. (the “Company”) which will be held as described below.

Moreover, if you are unable to attend on the day, you may exercise your voting rights either by postal mail (voting form) or electronically (via the Internet). Please review the ‘Reference Documents for the General Meeting of Shareholders’ attached below and kindly peruse the ‘4. Exercise of voting rights’ on the following page. We request that you exercise your rights no later than 5:00 p.m., Thursday, June 21, 2018 (Japan Standard Time).

- 1. Date and Time:** Friday, June 22, 2018 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** Banquet Room “Kujaku,” 4th Floor, Hotel Nikko Osaka
1-3-3 Nishi-Shinsaibashi, Chuo-ku, Osaka

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 119th Term (from April 1, 2017 to March 31, 2018), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board.
2. Non-Consolidated Financial Statements for the 119th Term (from April 1, 2017 to March 31, 2018)

Items to be resolved:

- Proposal 1:** Election of Seven (7) Directors
Proposal 2: Election of One (1) Substitute Audit & Supervisory Board Member
Proposal 3: Revision of Remuneration Amount for Audit & Supervisory Board Members

4. Exercise of Voting Rights:

You may exercise your voting rights by one of the following three (3) methods.

- (1) Exercise of voting rights by attendance at the General Meeting of Shareholders
Please submit the enclosed voting form to the receptionist on the day of the General Meeting of Shareholders.
Date and Time of the General Meeting of Shareholders: Friday, June 22, 2018, at 10:00 a.m. (Japan Standard Time)
- (2) Exercise of Voting Rights by Postal Mail
Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than the deadline for exercising voting rights.
Deadline for exercising voting rights: To reach us no later than 5:00 p.m., Thursday, June 21, 2018 (Japan Standard Time)
- (3) Exercise of Voting Rights via the Internet
Please exercise your voting rights by accessing the Exercise of Voting Rights Website (<https://soukai.mizuho-tb.co.jp/>) no later than the deadline for exercising voting rights.
Deadline for exercising voting rights: To input no later than 5:00 p.m., Thursday, June 21, 2018 (Japan Standard Time)

Duplicate Exercises of Voting Rights

- i. In cases of duplicate exercise of voting rights both by using the voting form and by using the Internet, the exercise of the voting rights via the Internet shall be treated as valid.
- ii. In cases in which multiple exercises of voting rights have been made via the Internet, the most recent exercise of voting rights shall be treated as valid.

Reference Documents for the General Meeting of Shareholders

Items to Be Resolved and Reference Documents

Proposal 1: Election of Seven (7) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this General Meeting of Shareholders. In that regard, the Company proposes the election of seven (7) Directors, increasing the number of Outside Director by one (1) to further enhance the governance system.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position, responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Takaaki Kawamoto (April 6, 1950)	<p>Apr. 1973 Joined the Company</p> <p>June 2004 Executive Officer, General Manager Kure Plant, and General Manager of Manufacturing Dept. Kure Plant of the Company</p> <p>June 2006 Senior Executive Officer, General Manager Kure Plant, and General Manager of Manufacturing Dept. Kure Plant of the Company</p> <p>June 2007 Senior Executive Officer and General Manager Ichikawa Plant of the Company</p> <p>June 2009 Director, Managing Executive Officer, Senior General Manager Corporate Planning Division, and Supervisor of Steel Coil & Sheet Plants of the Company</p> <p>Apr. 2010 Director, Managing Executive Officer, Senior General Manager Corporate Planning Division, General Manager of Corporate Planning Dept., General Manager of Logistics Dept., General Manager of Overseas Business Planning Dept., and Supervisor of Steel Coil & Sheet Plants of the Company</p> <p>Apr. 2012 President and Representative Director of the Company (Current Position)</p> <p>[Significant concurrent position outside the Company] President and Representative Director of Keiyo Tekko Futo Co., Ltd.</p>	17,148
<p>Reasons for selection as a candidate for Director</p> <p>Takaaki Kawamoto has worked mainly in the production and corporate planning department of steel-coil and sheet-related operations. Since he also has considerable operational experience relating to the management of overseas subsidiary companies, we request that he continue to be appointed as a Director to utilize his extensive experience and knowledge as a member of the Board of Directors of the Company.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Satoshi Nitta (March 26, 1956)	<p>Apr. 1980 Joined the Company</p> <p>Nov. 2009 Was seconded to Sheng Yu Steel Co., Ltd.</p> <p>Sept. 2010 Was treated as General Manager of Sheng Yu Steel Co., Ltd.</p> <p>Apr. 2012 Senior Executive Officer, Senior General Manager Corporate Planning Division, General Manager of Overseas Business Planning Dept., and Supervisor of Steel Coil & Sheet Plants of the Company</p> <p>Apr. 2014 Senior Executive Officer of the Company, and President of YODOGAWA-SHENGYU (HEFEI) HIGH-TECH STEEL CO., LTD. (Current Position)</p> <p>June 2017 Director, Managing Executive Officer of the Company (Current Position)</p> <p>[Significant concurrent position outside the Company] President of YODOGAWA-SHENGYU (HEFEI) HIGH-TECH STEEL CO., LTD.</p>	5,279
<p>Reasons for selection as a candidate for Director</p> <p>Satoshi Nitta has worked mainly in the production and corporate planning department of steel-coil and sheet-related operations. Since he also has considerable operational experience relating to the management of overseas subsidiary companies, we request that he continue to be appointed as a Director to utilize his extensive experience and knowledge as a member of the Board of Directors of the Company.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Toyomi Omori (September 4, 1948)	<p>Apr. 1973 Joined the Company</p> <p>June 2000 General Manager of Steel Sheet Sales Dept. of Tokyo Branch of the Company</p> <p>June 2004 Executive Officer and General Manager of Steel Sheet Sales Dept. of Tokyo Branch of the Company</p> <p>June 2006 Senior Executive Officer of the Company and Chairman of the Board, Sheng Yu Steel Co., Ltd.</p> <p>June 2009 Senior Executive Officer, General Manager Sales Division, in charge of Steel Sheet Sales Division, and Branch Manager of Tokyo of the Company</p> <p>Oct. 2009 Senior Executive Officer, General Manager Sales Division, in charge of Sales Dept. - 1 and 2, General Manager of Sales Dept. - 1, and Branch Manager of Tokyo of the Company</p> <p>June 2011 Managing Executive Officer, General Manager Sales Division, in charge of Sales Dept. - 1 and 2, and Branch Manager of Tokyo of the Company</p> <p>Apr. 2012 Managing Executive Officer and Senior General Manager Sales Division of the Company</p> <p>June 2012 Director, Managing Executive Officer, and Senior General Manager Sales Division of the Company</p> <p>Apr. 2015 Director, Senior Managing Executive Officer, Senior General Manager Sales Division, Branch Manager of Tokyo of the Company, and in charge of YODOKO SHOJI CO., LTD. and Roll Dept.</p> <p>June 2016 Director, Senior Managing Executive Officer, Senior General Manager Sales Division, Branch Manager of Tokyo of the Company, and in charge of Roll Dept. (Current Position)</p> <p>[Significant concurrent position outside the Company] Chairman of the Board, YODOGAWA-SHENGYU (HEFEI) HIGH-TECH STEEL CO., LTD.</p>	12,610
<p>Reasons for selection as a candidate for Director</p> <p>Toyomi Omori has worked mainly in the sales department of steel-coil and sheet-related operations. Since he also has considerable operational experience relating to the management of overseas subsidiary companies, we request that he continue to be appointed as a Director to utilize his extensive experience and knowledge as a member of the Board of Directors of the Company.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	* Toshio Kumamoto (March 13, 1963)	<p>Apr. 1986 Joined the Company</p> <p>June 2011 General Manager of General Affairs Dept. of the Company</p> <p>Sept. 2012 General Manager of General Affairs Dept. and General Manager of General Affairs Dept. of Tokyo Branch of the Company</p> <p>Apr. 2014 Executive Officer, General Manager Kure Plant and General Manager of General Affairs Dept. Kure Plant of the Company</p> <p>June 2016 Senior Executive Officer, General Manager Administration Division, General Manager of General Affairs Dept. and General Manager of General Affairs Dept. of Tokyo Branch of the Company</p> <p>June 2017 Senior Executive Officer, Senior General Manager Administration Division, General Manager of General Affairs Dept., General Manager of General Affairs Dept. of Tokyo Branch, in charge of affiliated companies of the Company (Current Position)</p>	2,177
<p>Reasons for selection as a candidate for Director</p> <p>Toshio Kumamoto has worked mainly in the general affairs department. Since he also has considerable operational experience as a leader of main plants, we request that he continue to be appointed as a Director to utilize his extensive experience and knowledge as a member of the Board of Directors of the Company.</p>			
5	Toshikazu Saeki (March 1, 1948)	<p>Apr. 1970 Joined Kobe Steel, Ltd.</p> <p>June 2001 Administration Officer and General Manager Osaka branch of Kobe Steel, Ltd.</p> <p>June 2002 President and Representative Director of Shinko Care Life Co., Ltd.</p> <p>June 2011 Advisor of Shinko Care Life Co., Ltd.</p> <p>Apr. 2012 Specially Appointed Professor and Assistant to the President of Kobe University</p> <p>June 2015 Director of the Company (Current Position)</p> <p>Dec. 2016 Director (Audit & Supervisory Committee Member) of LOCKON CO.,LTD. (Current Position)</p>	0
<p>Reasons for selection as a candidate for Outside Director</p> <p>Toshikazu Saeki has extensive experience as a manager and a wide range of knowledge, and so we request that he continue to be appointed as an Outside Director so that such abundance of experience and knowledge can be reflected in the management of the Company.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned	
6	Hiroshi Okamura (April 13, 1952)	Apr. 1976	Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited.)	0
		June 2006	Representative Director, Vice President and Executive Officer of Resona Bank, Limited.	
June 2008	President and Representative Director of Resona Research Institute Co., Ltd.			
June 2009	Director of The Kinki Osaka Bank, Ltd.			
June 2011	Part-time Auditor-secretary of Osaka Cosei Shinkin Bank (Current Position)			
June 2011	Part-time Auditor of Japan Foundation Engineering Co., Ltd. (Current Position)			
June 2012	President and Representative Director of Shikishima Printing Co., Ltd. (Current Position)			
June 2012	Part-time Director of Koyubusiness Co., Ltd. (Current Position)			
June 2013	Auditor of Osaka International Convention Center Corporation (Current Position)			
June 2015	Director of the Company (Current Position)			
Reasons for selection as a candidate for Outside Director Hiroshi Okamura has extensive experience as a manager and a wide range of knowledge, and so we request that he continue to be appointed as an Outside Director so that such abundance of experience and knowledge can be reflected in the management of the Company.				
7	* Mitsuaki Yuasa (June 30, 1946)	Sept. 1973	Registered as Certified Public Accountant	0
		June 2006	KPMG AZSA & Co. (currently KPMG AZSA LLC) Retired	
July 2006	Opened Mitsuaki Yuasa CPA Office (current position)			
June 2008	Outside Audit & Supervisory Board Member of the Company			
Nov. 2008	Outside Member of the Board of WORLD Co., Ltd.			
June 2009	Outside Audit & Supervisory Board Members of Sojitz Corporation			
June 2016	Retired from Outside Audit & Supervisory Board Member of the Company			
Reasons for selection as a candidate for Outside Director Mitsuaki Yuasa has experience as outside officer at listed companies in addition to considerable knowledge of finance and accounting and a wide range of insight from his many years of experience as a Certified Public Accountant. We request that he be appointed as an Outside Director so that such experience and knowledge can be reflected in the management of the Company.				

- Notes:
1. Asterisk (*) indicates a new candidate for Director.
 2. There is no particular business or other relationship between any of the candidates and the Company.
 3. Number of Years since the Candidates for Outside Directors were appointed as Outside Directors of the Company
Director candidates Toshikazu Saeki and Hiroshi Okamura have both, as of the date of the conclusion of this General Meeting of Shareholders, served as Outside Directors of the Company for a period of three (3) years.
 4. Director candidates Toshikazu Saeki, Hiroshi Okamura and Mitsuaki Yuasa are candidates for election as Outside Directors. A notice has been submitted to the Tokyo Stock Exchange that these three candidates are designated as Independent Officers in accordance with the regulations of this exchange.
 5. The Company has agreements with Toshikazu Saeki and Hiroshi Okamura respectively that limit their liability as prescribed in Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The liability limit in these agreements is the higher of 8 million yen or the minimum limit on liability in Article 425, Paragraph 1 of the Companies Act, and in case they are re-

elected, the Company plans to continue such agreements with them. If Mitsuaki Yuasa is elected, the Company plans to enter into the same limited liability agreement with him.

Proposal 2: Election of One (1) Substitute Audit & Supervisory Board Member

The Company proposes that one (1) substitute Audit & Supervisory Board Member be elected to prepare for a case where the number of the members of Audit & Supervisory Board falls below the number stipulated by laws and regulations.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and significant concurrent position outside the Company	Number of the Company's shares owned
Ichiro Inui (March 2, 1952)	Nov. 1976 Joined Asahi & Co. (currently KPMG AZSA LLC) Sept. 1980 Registered as Certified Public Accountant June 2000 Appointed as Partner June 2008 Appointed as Board Member Sept. 2010 Appointed as Internal Auditor July 2014 Opened Inui Certified Public Accountant Office Position which he continues to hold	0
Reasons for selection as a candidate for substitute Audit & Supervisory Board Member Ichiro Inui has considerable knowledge of finance and accounting from his many years of experience as a Certified Public Accountant. He was asked to become an Outside Audit & Supervisory Board Member candidate in order to utilize this knowledge in the Company's auditing activities. He has not been directly involved with the management of a company. However, he has considerable expertise involving finance, and accounting matters as a Certified Public Accountant. Since he has sufficient knowledge to deal with these matters, the Company believes that he will be able to properly perform the duties of an Outside Audit & Supervisory Board Member.		

- Notes:
1. There is no particular business or other relationship between the candidate as above and the Company.
 2. Ichiro Inui is a candidate for election as a substitute Outside Audit & Supervisory Board Member.
 3. Ichiro Inui fulfills the requirements as an Outside Audit & Supervisory Board Member.
 4. If Ichiro Inui is elected as Outside Audit & Supervisory Board Member, the Company plans to submit notification to Tokyo Stock Exchange, Inc. that he is designated as an Independent Officer in accordance with the regulations of this exchange.
 5. If Ichiro Inui is elected as Outside Audit & Supervisory Board Member, in accordance with Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company plans to establish an agreement with this individual that limit his liability as prescribed in Article 423, Paragraph 1 of the Companies Act. The liability limit in this agreement will be the higher of 8 million yen or the minimum limit on liability in Article 425, Paragraph 1 of the Companies Act.

Proposal 3: Revision of Remuneration Amount for Audit & Supervisory Board Members

The remuneration amount for the Company's Audit & Supervisory Board Members was approved to be within 40 million yen per year at the 105th Ordinary General Meeting of Shareholders held on June 29, 2004, and this amount has remained in place to the present date. Considering the various circumstances such as changes in economic conditions and the management environment along with the increased duties of Audit & Supervisory Board Members due to the strengthening of governance systems thereafter, the Company proposes a revision of the remuneration amount of Audit & Supervisory Board Members to be within 45 million yen per year. There are currently four (4) Audit & Supervisory Board Members (including two (2) Outside Audit & Supervisory Board Members).

Guide to the Exercise of Voting Rights via the Internet

1. Regarding exercise of Voting Rights via the Internet

- 1) Instead of voting by mail, you may vote via the Internet by accessing the designated “Exercise of Voting Rights Website” (refer to the URL below). To use this website, you need to log in with the Exercise of Voting Rights Code and the Password printed on the right-hand side of the enclosed Voting Form, and enter information in accordance with the instructions on the screen. For security reasons, it is necessary for you to change your password when you log in for the first time.

<https://soukai.mizuho-tb.co.jp/>

- 2) The deadline for voting is 5 p.m. on Thursday, June 21, 2018 (Japan Standard Time). The Company kindly requests that you exercise your voting rights well in advance.
- 3) If you exercise your voting rights by both sending the Voting Form and using the Internet, only your vote via the Internet shall be deemed effective. If you exercise your voting rights more than once via the Internet, only your final vote shall be deemed effective.
- 4) Your password (including the password after you have changed it) shall be effective only for this Ordinary General Meeting of Shareholders. At the time of the next Ordinary General Meeting of Shareholders, a new password will be issued.
- 5) You shall bear your own expenses for connection to the Internet.

(Notes)

- The password is a means to confirm that the person voting is the relevant shareholder. Please be noted that the Company will not contact you to ask for your password.
- If you enter your password incorrectly for a certain number of times, the password will be locked and you will no longer be able to use it. If this occurs, please complete the procedures indicated in the guidance on the screen.
- Although operational checks have been carried out for the Exercise of Voting Rights Website for common Internet connection devices, there is a possibility that you may be unable to access the site due to the device you are using.

2. For your inquiries

If you have any inquiries, please contact the Securities Agent Dept. of Mizuho Trust & Banking Co., Ltd., which is the Company’s shareholder registry administrator, as shown below.

- 1) Inquiries regarding operation of the Exercise of Voting Rights Website:
Tel: 0120-768-524 (toll free only from Japan) (Business hours: 9 a.m. to 9 p.m. on weekdays)
- 2) Inquiries regarding share handling matters other than the above:
Tel: 0120-288-324 (toll free only from Japan) (Business hours: 9 a.m. to 5 p.m. on weekdays)