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(Stock Exchange Code 6023)  
June 8, 2018

**To Shareholders with Voting Rights:**

Shigeki Kinoshita  
President  
Daihatsu Diesel Mfg. Co., Ltd.  
1-30 Oyodo Naka 1-chome, Kita-ku, Osaka

**NOTICE OF THE 58TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 58th Annual General Meeting of Shareholders of Daihatsu Diesel Mfg. Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing. In this case, please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:30 p.m. Japan time on Wednesday, June 27, 2018.

- 1. Date and Time:** Thursday, June 28, 2018 at 10:00 a.m. Japan time
- 2. Place:** Conference room, 22F, Umeda Sky Building Tower West  
1-30 Oyodo Naka 1-chome, Kita-ku, Osaka
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company's 58th Fiscal Year (April 1, 2017 - March 31, 2018) and results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company's 58th Fiscal Year (April 1, 2017 - March 31, 2018)
  - Proposals to be resolved:**
    - Proposal 1:** Distribution of Surplus
    - Proposal 2:** Election of Twelve (12) Directors
    - Proposal 3:** Election of Three (3) Statutory Auditors
    - Proposal 4:** Payment of Retirement Bonuses to Retiring Director and Statutory Auditors
    - Proposal 5:** Payment of Bonuses to Directors and Statutory Auditors

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎ Should the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, or the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (<http://www.dhtd.co.jp/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Distribution of Surplus

The Company plans to distribute surplus for this year as follows, taking into consideration factors such as business performance for the year and the business environment while also paying attention to its internal reserves.

#### 1. Matters Related to the Year-end Dividend

(1) Matters related to the allocation of dividend property to shareholders and its total amount:

15 yen per common share

Total of 477,506,475 yen

(2) Date the distribution of surplus comes into effect:

June 29, 2018

#### 2. Matters Related to the Distribution of Surplus

(1) Surplus item increased and amount

General reserve 1,400,000,000 yen

(2) Surplus item decreased and amount

Retained earnings brought forward 1,400,000,000 yen

**Proposal 2:** Election of Twelve (12) Directors

The terms of office of all Directors (13) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of Twelve (12) Directors, decreasing the number of Directors by one (1) in order to streamline the management structure.

The candidates for Director are as follows:

No.	Name (Date of birth)	Positions or responsibilities in the Company	Past experience and significant concurrent positions	Number of shares of the Company held
1	Takeshi Harada (February 23, 1950)	Chairman (Representative Director)	May 1973 Joined the Company June 2007 Director June 2009 Managing Director June 2011 President June 2016 Chairman (current position)	27,400
2	Shigeki Kinoshita (October 28, 1954)	President (Representative Director)	April 1977 Joined the Company June 2012 Director June 2013 Managing Director June 2014 Senior Managing Director June 2016 President (current position) (Significant concurrent positions) President and Representative Director, Daihatsu Diesel Umeda City Co., Ltd.	13,200
3	Osamu Gouda (November 24, 1954)	Senior Managing Director [Responsibilities] General Manager, General Management Department; Head, Corporate Planning Department, Mid-Term Planning & Strategy Department, Auditing Department	April 1977 Joined the Company June 2010 Director June 2012 Managing Director June 2016 Senior Managing Director (current position)	16,700
4	Kazutoshi Satou (August 2, 1953)	Managing Director [Responsibilities] General Manager, Technical Management Division; in charge of Quality Assurance Department	October 1976 Joined the Company June 2012 Director June 2014 Managing Director (current position) (Significant concurrent positions) President and Representative Director, MD Engineering Co., Ltd. Representative Director and President, DD Technical Co., Ltd.	16,000
5	Yuichi Uemura (November 22, 1960)	Managing Director [Responsibilities] General Manager, Corporate Planning Department; General Manager, Mid-Term Planning & Strategy Department; in charge of Auditing Department	April 1985 Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited) May 2002 Joined Nidec Corporation February 2005 Joined NORITSU KOKI Co., Ltd. June 2006 Director November 2008 Joined Hamada Sogyo Co., Ltd. November 2008 Managing Executive Officer May 2009 Joined the Company June 2013 Director June 2016 Managing Director (current position)	5,800

No.	Name (Date of birth)	Positions or responsibilities in the Company	Past experience and significant concurrent positions		Number of shares of the Company held
6	Takashi Saito (July 1, 1954)	Managing Director [Responsibilities] General Manager, Marine Engine Sales Management Division; General Manager, Tokyo Office; General Manager, Naval Business Division; in charge of License Promotion Department, Marketing & Promotion Department, Customer Satisfaction Promotion Division, Plant Management Division	April 1978 April 2005 July 2008 April 2014 June 2015 June 2016	Joined Mitsui & Co., Ltd. General Manager, Shipping & Marine Department General Manager, Shikoku Branch Joined the Company Director Managing Director (current position)	6,300
7	Takashi Iida (June 30, 1955)	Managing Director [Responsibilities] Deputy General Manager, Production & Purchasing Management Division; General Manager, Purchasing Department; in charge of Aluminum Wheel Department	April 1979 April 2014  April 2015  June 2016 June 2017	Joined Daihatsu Motor Co., Ltd. Executive Officer; responsible for Overseas Division and General Manager, Product Department, Overseas Division Executive Officer; responsible for Overseas Division; General Manager, Product Department; responsible for Overseas Division (TD Collaboration Promotion Team, Value Chain Reform Team) Director, the Company Managing Director (current position)	10,000
8	Hitoshi Nakano (November 8, 1955)	Director	April 1979 March 1999  June 2011 June 2013	Joined Daihatsu Motor Co., Ltd. General Manager, Assembly Production Technology Office, Technology Department II General Manager, Shiga Factory Director, the Company (current position)  (Significant concurrent positions) President and Representative Director, Daihatsu Diesel Himeji Co., Ltd.	10,000
9	Isamu Teraoka (June 9, 1958)	Director [Responsibilities] General Manager, Customer Satisfaction Promotion Division; General Manager, Global Service Department; responsible for License Promotion Department	April 1977 June 2016	Joined the Company Director (current position)  (Significant concurrent positions) Representative Director and President, DDK LOGISTICS CO.,LTD.	6,300
10	Yoshinobu Hotta (January 30, 1966)	Director [Responsibilities] Deputy General Manager, Production & Purchasing Management Division; Plant Manager, Moriyama Factory; General Manager, Production Engineering Department	April 1988 March 2009  March 2015  June 2017	Joined the Company General Manager, Production Reform Promotion Department Plant Manager, Moriyama Factory; General Manager, Manufacturing Department Director (current position)	5,400

No.	Name (Date of birth)	Positions or responsibilities in the Company	Past experience and significant concurrent positions	Number of shares of the Company held
11	Tamon Tsuda (December 19, 1952)	Director	<p>April 1975    Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>October 1981    Joined Arthur Andersen LLP</p> <p>March 1985    Registered as Certified Public Accountant</p> <p>July 2008    Senior Partner, Ernst &amp; Young ShinNihon LLC</p> <p>July 2012    Representative, Tsuda Certified Public Accountant Office (current position)</p> <p>June 2014    Outside Director, Tatsuta Electric Wire &amp; Cable Co., Ltd. (current position)</p> <p>June 2014    Outside Audit &amp; Supervisory Board Member, Nitta Gelatin, Inc. (current position)</p> <p>June 2015    Outside Director, TECHNO ASSOCIE CO., LTD. (current position)</p> <p>June 2015    Outside Director, the Company (current position)</p> <p>(Significant concurrent positions) Representative, Tsuda Certified Public Accountant Office</p>	0
12	Kazuo Komatsu (November 29, 1949)	Director	<p>April 1975    Assistant Judge, Kobe District Court</p> <p>July 2007    Chief Judge, Nagasaki Family Court</p> <p>March 2009    Presiding Judge, Osaka High Court</p> <p>April 2015    Conciliation commissioner of civil affairs, Osaka District/Summary Court</p> <p>August 2015    Registered as Attorney-at-law Joined Kitahama Partners (current position)</p> <p>June 2016    Outside Director, the Company (current position)</p> <p>(Significant concurrent positions) Chair, Kinki Federation of Conciliation Associations Chair, Osaka Civil Conciliation Association</p>	0

(Notes)

1. There are no special interest relationships between each candidate and the Company.
2. Mr. Tamon Tsuda and Mr. Kazuo Komatsu are candidates for Outside Director.  
Furthermore, Mr. Tamon Tsuda and Mr. Kazuo Komatsu have been designated as independent directors as prescribed by Tokyo Stock Exchange. If they are reelected as Outside Directors, they will remain independent directors.
3. The Company proposes the election of Mr. Tamon Tsuda as Outside Director as he will leverage his specialist knowledge and experience, etc. as a Certified Public Accountant in the management of the Company.  
In addition, the Company has determined that he will be able to carry out his duties appropriately upon comprehensively considering the fact that Mr. Tsuda has participated in company management as an Outside Director and Outside Audit & Supervisory Board Member in other companies, the fact that he possess a high level of insight regarding management from his specialist position as a Certified Public Accountant and other factors.
4. The term of office of Mr. Tamon Tsuda as Outside Director of the Company will be three years at the conclusion of this Annual General Meeting of Shareholders.
5. The Company proposes the election of Mr. Kazuo Komatsu as Outside Director as he will leverage his specialist knowledge and experience, etc. as a judge and an attorney in the management of the Company.  
In addition, the Company has determined that he will be able to carry out his duties appropriately upon comprehensively considering the fact that Mr. Komatsu possesses a high level of insight regarding corporate law from his specialist position as an attorney and other factors.
6. The term of office of Mr. Kazuo Komatsu as Outside Director of the Company will be two years at the conclusion of this Annual General Meeting of Shareholders.
7. Contents and overview of liability limitation agreement  
The Company has entered into agreements with Mr. Tamon Tsuda and Mr. Kazuo Komatsu to limit their liability as defined in Article 423, Paragraph 1 of the Companies Act, in accordance with the stipulations of Article 427, Paragraph 1 of the said Act. The limit of liability based on the agreements is the minimum liability amount set forth in Article 425, Paragraph 1 of the said Act. If their reelection is approved, the Company intends to continue the agreements.

**Proposal 3: Election of Three (3) Statutory Auditors**

The terms of office of Statutory Auditors Shinichiro Ogura, Noriyoshi Matsushita and Norihide Bessho will expire, and Statutory Auditor Kenji Arakawa will resign at the conclusion of this General Meeting of Shareholders. And in consideration of the Company's executive structure, it was deemed that the effectiveness of corporate governance can be maintained by reducing the number of members by one (1). Accordingly, the election of three (3) Statutory Auditors is proposed.

The Board of Statutory Auditors has approved this Proposal.

The candidates for Statutory Auditor are as follows:

No.	Name (Date of birth)	Past experience and significant concurrent positions		Number of shares of the Company held
1 *	Atsumi Masada (April 1, 1963)	April 1985 July 2006 March 2012 March 2015	Joined Taiyo Kobe Bank (current Sumitomo Mitsui Banking Corporation) Joined the Company General Manager, Accounting Department Project General Manager, General Management Department (current position)	5,200
2	Noriyoshi Matsushita (April 21, 1956)	April 1979 June 2007 June 2009 June 2011 April 2016 June 2016 June 2016	Joined Daihatsu Motor Co., Ltd. Executive Officer Vice President and Director, AKASHI-KIKAI INDUSTRY Co., Ltd. President and Director Director and Senior Managing Executive Officer, Daihatsu Motor Co., Ltd. (current position) Statutory Auditor, the Company (current position) Director, Daihatsu Corporate Pension Fund (current position)	0
3	Norihide Bessho (July 20, 1958)	April 1981 April 2014 June 2015 June 2017 June 2017	Joined Daihatsu Motor Co., Ltd. Executive Officer Senior Executive Officer Full-time Corporate Auditor (current position) Statutory Auditor, the Company (current position)	0

(Notes)

1. \* indicates a new candidate for Statutory Auditor.
2. There are no special interest relationships between each candidate and the Company.
3. Mr. Noriyoshi Matsushita and Mr. Norihide Bessho are candidates for Outside Statutory Auditor.
4. Mr. Noriyoshi Matsushita is Senior Managing Executive Officer of Daihatsu Motor Co., Ltd., possessing a wealth of experience and broad insights as a corporate manager. The Company proposes his election as Outside Statutory Auditor with the expectation that he will monitor overall management and provide effective advice. Additionally, the Company has determined that he will be able to carry out his duties appropriately after comprehensive consideration of factors such as the above real-world experience.
5. Mr. Norihide Bessho is Corporate Auditor of Daihatsu Motor Co., Ltd., possessing broad insights and a wealth of experience through his career, and as Outside Statutory Auditor of the Company, he currently conducts his duties appropriately and sufficiently, such as functions to audit the business execution of Directors. Thus the Company proposes his reelection as Outside Statutory Auditor.
6. Contents and overview of liability limitation agreement  
Subject to the election of Mr. Noriyoshi Matsushita and Mr. Norihide Bessho, who are candidates for Outside Statutory Auditor, the Company intends to enter into agreements limiting their liability as defined in Article 423, Paragraph 1 of the Companies Act, in accordance with the stipulations of Article 427, Paragraph 1 of the said Act, based on the Articles of Incorporation of the Company. However, the minimum amount of liability based on this agreement shall be the minimum liability amount defined by the laws and regulations.
  - In the event that an Outside Statutory Auditor is deemed liable for damage caused to the Company owing to failure in performance of his/her duties, the liability shall be limited to the minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act.
  - The above limitation of liability shall only be recognized in cases when the Outside Statutory Auditor's performance of his/her duties which caused the liability is out of good intention and without gross negligence.

**Proposal 4:** Payment of Retirement Bonuses to Retiring Director and Statutory Auditors

Mr. Toshiyuki Fujita will retire from the position of Director, and Mr. Shinichiro Ogura and Mr. Kenji Arakawa will retire from their positions of Statutory Auditor at the conclusion of this General Meeting of Shareholders. The Company proposes the payment of retirement bonuses within an appropriate range for their services in office, in line with certain standards of the Company. The Company requests that specific amounts, timing of payment, and methods, etc. for Directors be delegated to the Board of Directors and those for Statutory Auditors be subject to deliberation among the Statutory Auditors.

The past experience of the retiring Director and Statutory Auditors is as follows:

Name	Past experience	
Toshiyuki Fujita	June 2014 June 2016	Director, the Company Managing Director (current position)
Shinichiro Ogura	June 2016	Statutory Auditor, the Company (current position)
Kenji Arakawa	June 2017	Statutory Auditor, the Company (current position)

**Proposal 5:** Payment of Bonuses to Directors and Statutory Auditors

Taking into consideration the business performance during the current term, among other factors, the Company proposes to pay bonuses to Directors and Statutory Auditors at the total amount of ¥50 million to 13 Directors (including 2 Outside Directors) and 4 Statutory Auditors as of the end of the fiscal year under review (¥47 million to Directors excluding Outside Directors, ¥0 million to Outside Directors, and ¥2 million to Statutory Auditors).

(The amounts of Bonuses to Directors and Statutory Auditors have been rounded down to the nearest million yen.)

End