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Securities code: 5851

June 5, 2017

To our shareholders:

Akira Urakami  
President  
**RYOBI LIMITED**  
762 Mesaki-cho, Fuchu-shi, Hiroshima, Japan

## NOTICE OF THE 105TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 105th Annual General Meeting of Shareholders of Ryobi Limited (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or the Internet (electromagnetic method). Please indicate your approval or disapproval of the proposals after reviewing the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 5:00 p.m., Thursday, June 22, 2017 (Japan Standard Time).

**1. Date and Time:** Friday, June 23, 2017 at 10:00 a.m. (Japan Standard Time)

**2. Venue:** Fuchu Chamber of Commerce and Industry Hall  
445-1 Motomachi, Fuchu-shi, Hiroshima, Japan

**3. Purposes:**

**Items to be reported:**

1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 105th Term (from April 1, 2016 to March 31, 2017)
2. The results of audit of the Consolidated Financial Statements for the 105th Term by the Accounting Auditor and the Board of Corporate Auditors

**Items to be resolved:**

- Proposal 1:** Appropriation of surplus  
**Proposal 2:** Consolidation of shares  
**Proposal 3:** Partial amendments to the Articles of Incorporation  
**Proposal 4:** Election of five (5) Directors

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### Proposal 1: Appropriation of surplus

The Company's basic stance is to provide stable, continuous dividends in accordance with performance while working to improve profitability and strengthen the corporate structure.

The Company would like the year-end dividend per common share to be ¥5, bringing the total year-end dividend to ¥809,242,335.

Combined with the interim dividend (¥5 per share), this brings the annual dividend to ¥10 per share.

Further, the effective date for the distribution of dividends from surplus is June 26, 2017.

#### Proposal 2: Consolidation of shares

##### 1. Reason for consolidation of shares

The Japanese stock exchanges announced the "Action Plan for Consolidating Trading Units," aiming to consolidate trading units for common shares of all domestic listed companies to 100 shares per unit by October 1, 2018.

As a company listed on the Tokyo Stock Exchange, the Company will respect this purpose and change the trading unit of the Company's share from the current number of 1,000 shares to 100 shares, and consolidate shares with the objective of adjusting the investment unit to an appropriate level.

##### 2. Ratio of consolidation of shares

For the Company's common share, the Company would like to merge 5 shares into 1 share.

If fractional shares of less than one share arise as a result of the consolidation, such shares shall be disposed of in one lot in accordance with the provisions of Articles 234 and 235 of the Companies Act. The proceeds of such disposal shall be distributed to shareholders in proportion to the fractional shares they hold.

##### 3. Effective date for the consolidation of shares

October 1, 2017

##### 4. Total number of authorized shares on the effective date:

100,000,000 shares

##### 5. Others

The consolidation of shares pertaining to this proposal is subject to the fact that Proposal 3 "Partial amendments to the Articles of Incorporation" is approved.

At the same time, the Company requests that any other procedural requirements be left to the discretion of the Board of Directors.

**Proposal 3:** Partial amendments to the Articles of Incorporation

1. Reasons for the amendments

- (1) In line with the current status of the Company’s business (operating licensed nursery schools), in order to clarify the business contents and to prepare for business development in the future, nursery school business is added to the business purpose specified in Article 2 (Purpose) of the Articles of Incorporation.
- (2) Subject to the approval of Proposal 2 “Consolidation of shares”, in order to reduce the total number of shares authorized to be issued by the Company according to the share consolidation ratio, the Company will change Article 6 (total number of authorized shares) of the Articles of Incorporation, and in order to change the number of shares constituting one unit from 1,000 shares to 100 shares, the Company is also changing Article 8 (number of shares constituting one unit) of the Articles of Incorporation.  
The effective date concerning the changes in Articles 6 and 8 will be October 1, 2017.

2. Details of the amendments

The amendments are as follows:

(Underline shows changed parts)

Current Articles of Incorporation	Proposed changes
<p>(Purpose) Article 2 Our company aims to run the following businesses.</p> <ol style="list-style-type: none"> <li>1. Manufacture and sales of die casting products</li> <li>2. Manufacture and sales of casting and forging products other than the preceding item</li> <li>3. Manufacture and sale of nonferrous alloy ingots</li> <li>4. Manufacture and sale of plastic products</li> <li>5. Manufacture and sale of printing equipment, office equipment</li> <li>6. Manufacture and sales of electric power tools and other electrical equipment</li> <li>7. Manufacture and sale of engines, engine mounted equipment, pneumatic tools</li> <li>8. Manufacture and sale of building materials, construction equipment</li> <li>9. Design of construction work, construction supervision and contracting</li> <li>10. Manufacture and sale of medical equipment</li> <li>11. Manufacture, sales of sports and leisure goods and operation of facilities</li> <li>12. Sales of information processing services and related equipment</li> <li>13. Finance business</li> <li>14. Curio dealer</li> <li><u>15.</u> All business incidental or related to the preceding items</li> </ol> <p>(Total number of authorized shares) Article 6 The total number of shares authorized to be issued by the Company shall be <u>500</u> million shares.</p>	<p>(Purpose) Article 2 Our company aims to run the following businesses.</p> <ol style="list-style-type: none"> <li>1. Manufacture and sales of die casting products</li> <li>2. Manufacture and sales of casting and forging products other than the preceding item</li> <li>3. Manufacture and sale of nonferrous alloy ingots</li> <li>4. Manufacture and sale of plastic products</li> <li>5. Manufacture and sale of printing equipment, office equipment</li> <li>6. Manufacture and sales of electric power tools and other electrical equipment</li> <li>7. Manufacture and sale of engines, engine mounted equipment, pneumatic tools</li> <li>8. Manufacture and sale of building materials, construction equipment</li> <li>9. Design of construction work, construction supervision and contracting</li> <li>10. Manufacture and sale of medical equipment</li> <li>11. Manufacture, sales of sports and leisure goods and operation of facilities</li> <li>12. Sales of information processing services and related equipment</li> <li>13. Finance business</li> <li>14. Curio dealer</li> <li><u>15.</u> <u>Nursery school business</u></li> <li><u>16.</u> All business incidental or related to the preceding items</li> </ol> <p>(Total number of authorized shares) Article 6 The total number of shares authorized to be issued by the Company shall be <u>100</u> million shares.</p>

Current Articles of Incorporation	Proposed changes
<p>(Number of shares constituting one unit)</p> <p>Article 8</p> <p>The number of shares constituting one unit of the Company shall be <u>1,000</u> shares.</p> <p>&lt;Newly established&gt;</p>	<p>(Number of shares constituting one unit)</p> <p>Article 8</p> <p>The number of shares constituting one unit of the Company shall be <u>100</u> shares.</p> <p><u>Supplementary provision</u></p> <p><u>Article 1</u></p> <p><u>The amendments to Articles 6 and 8 shall be effective on and from October 1, 2017.</u></p> <p><u>In addition, this Supplementary provision shall be deleted after October 1, 2017.</u></p>

**Proposal 4:** Election of five (5) Directors

The terms of office of the four (4) Directors Akira Urakami, Takashi Yokoyama, Kenjiro Suzuki and Yuji Yamamoto will come to an end at the conclusion of this Annual General Meeting of Shareholders.

In that regard, the Company proposes the election of 1 additional Outside Director to enhance the management system, bringing the total Directors of five (5) to be proposed for the election.

The candidates for Directors are as follows:

No.	Name Date of birth	Career summary, position, responsibilities and significant concurrent positions outside the Company	1. Number of the Company's shares owned 2. Special interest with the Company
1	Akira Urakami May 20, 1965	Apr. 1989      Joined the Company Jul. 1989      Assigned to overseas subsidiary (Arizona, United States) of the Company for three (3) years Jun. 2003      Corporate Officer of the Company Jun. 2005      Director and Corporate Officer Divisional Deputy General Manager and General Manager of Planning and Administration Department of Die Casting Division and in charge of Marketing Development of the Company Jun. 2007      Director of the Company President of Ryobi Imagix Co. Jun. 2011      President of the Company (present position) (Significant concurrent positions outside the Company) Director and Chairman of Ryobi MHI Graphic Technology Ltd.	1. 133,000 2. None
[Reasons for nomination as candidate for Director] He has clarified the Company's management policy as President, and has promoted enhancement of corporate value and strengthening of management foundation. The Company believes that his track record and abundant experience will enable us to strengthen management structure of the Group and enhance corporate governance, and ask you to continue appointing him as a Director.			
2	Takashi Yokoyama August 6, 1949	Apr. 1973      Joined the Company Jun. 1999      Director of the Company Jun. 2000      Director and Corporate Officer Jun. 2005      Director and Executive Corporate Officer Divisional General Manager of Die Casting Division of the Company (present position) (Significant concurrent positions outside the Company) Chairman of Ryobi Die Casting Dalian Co., Ltd. Chairman of Ryobi Die Casting Changzhou Co., Ltd.	1. 96,000 2. None
[Reasons for nomination as candidate for Director] He has extensive experience and expert knowledge about management. The Company believes that as the Director who oversees the Die Casting Division, he will lead to the improvement of corporate value and sustainable growth for the Group, and ask you to continue appointing him as a Director.			

No.	Name Date of birth	Career summary, position, responsibilities and significant concurrent positions outside the Company	1. Number of the Company's shares owned 2. Special interest with the Company
3	Kenjiro Suzuki February 6, 1958	Apr. 1982    Joined the Company Jun. 2003    Corporate Officer of the Company Jun. 2005    Director and Corporate Officer Oct. 2012    Director and Corporate Officer in charge of Graphic Systems and Divisional General Manager of Power Equipment Division of the Company Jun. 2013    Director and Corporate Officer Divisional General Manager of Power Equipment Division of the Company (present position) (Significant concurrent positions outside the Company) President of Ryobi Sales Co. Chairman of Ryobi Dalian Machinery Co., Ltd.	1. 61,000 2. None
[Reasons for nomination as candidate for Director]			
Based on the results of overseeing the Power Equipment Division of the Company and his overseas management experience and insight so far, the Company believes that as a Director, he will lead to the improvement of corporate value and sustainable growth for the Group, and ask you to continue appointing him as a Director.			
4	Yuji Yamamoto October 16, 1948	Jun. 1975    Joined Arthur Andersen & Co., Tokyo Office Sep. 1990    Worldwide Partner, Arthur Andersen & Co. Senior partner, Inoue Saito Eiwa Audit Corporation (current KPMG AZSA LLC) Oct. 2004    Representative Director and President, Kokusai Motorcars Co., Ltd. Nov. 2006    Representative Accountant, Yamamoto Yuji C.P.A. Office (present position) Apr. 2007    Representative Director and President, Huron Consulting Group Inc. Jun. 2011    Outside Corporate Auditor of the Company Jun. 2011    Outside Corporate Auditor, Obayashi Road Corporation Jun. 2011    Outside Corporate Auditor, Coco's Japan Co., Ltd. (present position) Jun. 2012    Outside Auditor, Zensho Holdings Co., Ltd. Jun. 2015    Outside Director of the Company (present position) (Significant concurrent positions outside the Company) Representative Accountant, Yamamoto Yuji C.P.A. Office Outside Corporate Auditor, Coco's Japan Co., Ltd.	1. 7,000 2. None
[Reasons for nomination as candidate for Outside Director]			
The Company expects that his rich international experience and his broad experience as a corporate manager and as a certified public accountant can be utilized in the management of the Company, and ask you to continue appointing him as an Outside Director.			

No.	Name Date of birth	Career summary, position, responsibilities and significant concurrent positions outside the Company	1. Number of the Company's shares owned 2. Special interest with the Company
5	New election  Masahiko Ikaga May 14, 1955	Oct. 1979      Joined Tohmatsu Aoki & Co. (current Deloitte Touche Tohmatsu LLC) May 1988      Director, Tohmatsu Touche Ross Consulting Co., Ltd. (current ABeam Consulting Ltd.) May 1990      Partner, Tohmatsu Aoki & Co. Apr. 1993      Director, Tohmatsu Consulting Co., Ltd. (current Deloitte Tohmatsu Consulting LLC) Mar. 2000      Representative Director and President, Tohmatsu Consulting Co., Ltd. Oct. 2010      Representative Director and Chairman, Tohmatsu Consulting Co., Ltd. Nov. 2013      CSO (Chief Strategy Officer), Deloitte Touche Tohmatsu LLC May 2016      Representative Director, PrajnaLink Co., Ltd. (present position) Jun. 2016      Outside Audit & Supervisory Board Member, Morinaga Milk Industry Co., Ltd. (present position) Mar. 2017      Outside Audit & Supervisory Board Member, Yamaha Motor Co., Ltd. (present position) (Significant concurrent positions outside the Company) Representative Director, PrajnaLink Co., Ltd.	1. 0 2. None
[Reasons for nomination as candidate for Outside Director] The Company expects that his wealth of expertise in finance and accounting as a certified public accountant and his extensive experience and discernment as a corporate manager can be utilized in the management of the Company, and ask you to appoint him as an Outside Director.			

- Notes:
1. Yuji Yamamoto and Masahiko Ikaga are candidates for Outside Directors.
  2. Upon approval of his reelection, Yuji Yamamoto will be expected to remain an Independent Director in accordance with the rules of the Tokyo Stock Exchange.
  3. Yuji Yamamoto is currently an Outside Director of the Company and will have served for two (2) years at the conclusion of this Annual General Meeting of Shareholders.
  4. Masahiko Ikaga is a new candidate for Outside Director.
  5. Masahiko Ikaga, a candidate for Outside Director, concluded a business outsourcing agreement with the Company, but its remuneration amount is less than 1% of our sales and does not impair independence.
  6. Upon approval of reelection of Yuji Yamamoto who is a candidate for Outside Director, the Company plans to conclude a contract with him to limit the liability under Article 423, Paragraph 1 of the Companies Act. The amount of limited liability under this agreement is the amount stipulated by laws and regulations. Upon approval of his reelection, the Company plans to renew the aforementioned contract with him. Upon approval of election of Masahiko Ikaga who is a candidate for Outside Director, the Company plans to conclude a similar contract with him.