



(TRANSLATION FOR REFERENCE ONLY)

January 17, 2020

To Our Shareholders:

Corporate Name: PROTO CORPORATION  
Representative: Kenji Kamiya, President  
Securities Code: 4298  
(TSE and NSE 1st Section)  
Contact: Akito Ode, Executive Officer  
Tel: +81-52-934-2000

**Notification on the recurrence prevention measures and partial return of executives' remunerations in response to the case of the “problem on the indications on wheels sold by AUTOWAY Co., Ltd.”**

PROTO CORPORATION ("the Company") sincerely acknowledged the fact mentioned in “Regarding the response to the problem with the indication of a wheel released by AUTOWAY Co., Ltd.,” which was announced on December 6, 2019, and has decided to partially return remunerations for executives as follows at the meeting of the board of directors held on January 17, 2020, in order to clarify the managerial responsibility.

We would like to deeply apologize to related people for causing worries and inconvenience. Our corporate group is replacing the problematic wheels with new ones for free or accept the return of them, in accordance with “Regarding the response to the problem with the indication of a wheel released by AUTOWAY Co., Ltd.,” which was announced on December 6, 2019. In addition, as measures for preventing recurrence, the Company will recheck whether the indications on all wheels we handle are appropriate, strengthen inspection in shipment control, produce manuals for wheel quality control, product management, and sale, improve in-company education, establish a system for projects involving external institutions and intellectuals, and so on.

So as not to cause such a problem again, the Company will tighten risk management, for example, by strengthening the group governance and improving the inspection function in cooperation with external institutions, to regain the trust of customers.

Details of the return of compensation

PROTO CORPORATION Chairman and Representative Director	Hiroichi Yokoyama	To return 10% of the value of monthly compensation From January 2020 to March 2020.
PROTO CORPORATION Vice chairman and Representative Director	Tatsuzo Irikawa	To return 10% of the value of monthly compensation From January 2020 to March 2020.
PROTO CORPORATION President and Representative Director	Kenji Kamiya	To return 10% of the value of monthly compensation From January 2020 to March 2020.
AUTOWAY Co., Ltd. President and Representative Director	Susumu Kuramoto	To return 10% of the value of monthly compensation From January 2020 to March 2020.
AUTOWAY Co., Ltd. Managing Director	Tsuyoshi Tanaka	To return 10% of the value of monthly compensation From January 2020 to March 2020.