

*Translation: Please note that the following purports to be an accurately translated excerpt of the original Japanese version prepared for the convenience of investors outside Japan. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.*

Stock Exchange Code: 3105  
March 6, 2019

Dear Shareholders:

**Nisshinbo Holdings Inc.**  
2-31-11, Nihonbashi Ningyo-cho, Chuo-ku, Tokyo  
Masaya Kawata  
President and Director

## **Notice of Convocation of The 176th Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 176th Ordinary General Meeting of Shareholders of Nisshinbo Holdings Inc. (the “Company”).

**If you are unable to attend the aforesaid meeting, you can exercise your votes through either of the methods stated below. The Company respectfully requests you to study the “Reference Document Concerning the General Meeting of Shareholders” below and exercise your voting rights on or before 5:00 p.m. (JST) March 27, 2019 (Wednesday):**

### **[In case of exercising voting rights by mail]**

Please indicate on the Voting Rights Exercise Form enclosed herewith your approval or disapproval to the items on the agenda, and return the form to be received by the Company by mail on or before the time limit stated above.

### **[In case of exercising voting rights via the Internet]**

Please log in and indicate whether you approve or disapprove the items on the agenda on or before the time limit stated above upon making reference to “Procedures for exercising voting rights by the Internet” (though available for Japanese resident shareholders only).

## **PARTICULARS**

### **1. Date and Time of the Meeting:**

Thursday, March 28, 2019 at 10:00 a.m. (start accepting at 9:00 a.m.)

The reason the date of the Meeting is set at a different time of the year from the previous 175th Ordinary General Meeting of Shareholders is due to the change of the closing date of fiscal year of the Company since the 176th fiscal year from March 31 to December 31

### **2. Place of the Meeting:**

Ariake Room, 2nd Floor, Royal Park Hotel at 2-1-1 Nihonbashi Kakigara-cho, Chuo-ku, Tokyo, Japan

Please note that place of the Meeting is different from the last year.

**3. Matters to be dealt with at the Meeting:**

**Matters to be Reported:**

1. Report on the Business Report, the Consolidated Financial Statements for the 176th Fiscal Year (from April 1, 2018 to December 31, 2018) and the Results on the Audits of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board.
2. Report on the Non-Consolidated Financial Statements for the 176th Fiscal Year (April 1, 2018 to December 31, 2018).

**Matters to be Resolved:**

- |                                 |   |
|---------------------------------|---|
| <b>First Item of Business:</b>  | Election of Eleven (11) Directors                               |
| <b>Second Item of Business:</b> | Election of Four (4) Audit & Supervisory Board Members          |
| <b>Third Item of Business:</b>  | Election of One (1) Substitute Audit & Supervisory Board Member |

**4. Matters related to Exercise of Voting Rights:**

- (1) In the event that a shareholder exercises voting rights both via return mail (Voting Rights Exercise Form) and the Internet, the Company will consider the exercise of voting rights via the Internet to be valid.
- (2) In the event that a shareholder exercises voting rights via the Internet more than once, the Company will consider the last exercise of voting rights to be valid.
- (3) In the event that a shareholder exercises voting rights through an agent, the agent shall be a shareholder having a voting right. Furthermore, a document verifying the power of attorney shall be submitted to the Company.

**5. Matters related to document attached to the Notice of Convocation and Reference Document Concerning the General Meeting of Shareholders**

- (1) Among documents to be attached to the Notice of Convocation, following matters are made available on the Company's website pursuant to the relevant laws and regulations, and the Articles of Incorporation of the Company, but are not stated in the documents attached to the Notice of Convocation.
  - ( i ) Notes to Consolidated Financial Statements
  - ( ii ) Notes to Non-Consolidated Financial Statements
- (2) If there is any amendment to the contents of the Reference Document Concerning the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements, the Company will announce such amendment on the Company's website (in only Japanese).

The Company's website: <http://www.nisshinbo.co.jp/>

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**[To Institutional Investors]**

You may use the "electronic proxy-voting platform" for electromagnetic voting for the General Shareholders Meeting of the Company.

## Reference Document Concerning the General Meeting of Shareholders

### First Item of Business: Election of Eleven (11) Directors

The term of office of all of the ten (10) Directors will expire at the conclusion of this General Meeting. Accordingly, in order to rejuvenate top management and deepen group and global business management aiming at further growth and development for the Nisshinbo Group (the “Group”), eleven (11) Directors including four (4) Outside Directors are proposed to be elected.

The candidates are as follows:

No.	Name	Current Positions and Responsibilities at the Company	Attribute of Candidate of Director
1	Masaya Kawata	President and Representative Director	Re-Nominated
2	Masahiro Murakami	Vice President and Representative Director Chief of Corporate Strategy Center Responsible for Property Management Department	Re-Nominated
3	Kenji Ara	Director and Senior Executive Managing Officer	Re-Nominated
4	Ryo Ogura	Director and Executive Managing Officer	Re-Nominated
5	Takayoshi Okugawa	Director and Executive Managing Officer Chief of Business Support Center	Re-Nominated
6	Kazunori Baba	Executive Managing Officer	Newly Nominated
7	Yasuji Ishii	Managing Officer	Newly Nominated
8	Noboru Matsuda	Director	Re-Nominated Outside Director Independent Director
9	Yoshinori Shimizu	Director	Re-Nominated Outside Director Independent Director
10	Shinobu Fujino	Director	Re-Nominated Outside Director Independent Director
11	Keiji Taga		Newly Nominated Outside Director Independent Director

Note: Independent Director means Director designated as Independent Officer and filed with the stock exchange

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
1	Masaya Kawata (April 20, 1952)	<p>April 1975      Joined the Company</p> <p>June 2006      Managing Officer and General Manager of Human Resources Division of the Company</p> <p>April 2007      Deputy General Manager of Accounting and Finance Division of the Company (served concurrently)</p> <p>June 2007      Director of the Company</p> <p>April 2008      Deputy Chief of Business Support Center of the Company</p> <p>April 2009      President and Representative Director of Nisshinbo Brake Inc.</p> <p>June 2010      Director and Executive Managing Officer of the Company</p> <p>June 2011      Deputy Chief of Corporate Strategy Center and General Manager of Business Development Division of the Company (served concurrently)</p> <p>                    President and Representative Director of Nisshinbo Chemical Inc.</p> <p>June 2012      Director and Senior Executive Managing Officer of the Company</p> <p>                    President and Representative Director of Nisshinbo Mechatronics Inc.</p> <p>June 2013      President and Representative Director of the Company (to the present)</p>	97,482
<p>[Reason for election of candidate for Director]  After his assumption of office as a Director of the Company in 2007, Mr. Masaya Kawata served as President and Representative Director of three consolidated subsidiaries and chief officer of the Business Development Division. He has served as President and Representative Director of the Company since 2013. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial management experience and performance, and high expertise. Accordingly, he has been proposed as a candidate.</p> <p>[Attendance at the Board of Directors' meetings]  All 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
2	Masahiro Murakami (September 7, 1958)	<p>April 1982      Joined the Company</p> <p>April 2008      Managing Officer, Senior Manager of Corporate Governance Department of Corporate Strategy Center, Senior Manager of Human Resources &amp; Administration Service Department of Business Support Center (served concurrently) and General Manager of Property Management Department of the Company (served concurrently)</p> <p>April 2009      Deputy Chief of Business Support Center (served concurrently), Senior Manager of Corporate Strategy Department of Corporate Strategy Center (served concurrently) and Senior Manager of Finance and Accounting &amp; IT Service Department of Business Support Center of the Company (served concurrently)</p> <p>June 2010      Director and Chief of Business Support Center of the Company (served concurrently)</p> <p>January 2012    Responsible for Property Management Department of the Company (to the present)</p> <p>June 2012      Director, Executive Managing Officer and Deputy Chief of Corporate Strategy Center of the Company (served concurrently)</p> <p>June 2014      Chief of Corporate Strategy Center of the Company (served concurrently, to the present)</p> <p>June 2015      Director and Senior Executive Managing Officer of the Company</p> <p>June 2016      Representative Director and Senior Executive Managing Officer of the Company</p> <p>June 2018      Vice President and Representative Director of the Company (to the present)</p>	26,165
<p>[Reason for election of candidate for Director]  After his assumption of office as a Director of the Company in 2010, Mr. Masahiro Murakami served as chief officer of the Finance and Accounting Department and the Administration Service Department. He presently serves as chief officer of the Corporate Strategy Department, the Property Management Department and Vice President and Representative Director. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial perception and high expertise regarding business and management of the Group. Accordingly, he has been proposed as a candidate.</p> <p>[Attendance at the Board of Directors' meetings]  All 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
3	Kenji Ara (November 21, 1953)	<p>April 1976      Joined Japan Radio Co., Ltd.</p> <p>April 2002      General Manager of Government Business Department of System Electronics Division of Japan Radio Co., Ltd.</p> <p>January 2006    Deputy General Manager of System Equipment Division and General Manager of Government Business Department of Japan Radio Co., Ltd.</p> <p>April 2006      General Manager of Solution Business Department of Sales &amp; Marketing Headquarters of Japan Radio Co., Ltd.</p> <p>April 2008      Executive Officer and General Manager of Sales &amp; Marketing Headquarters of Japan Radio Co., Ltd.</p> <p>April 2009      Executive Officer and General Manager of Solution Business Division of Japan Radio Co., Ltd.</p> <p>June 2011      Director, Executive Officer, and General Manager of Solution Business Division of Japan Radio Co., Ltd.</p> <p>June 2012      Director of JRC System Service Co., Ltd.</p> <p>April 2013      Executive Officer and Deputy General Manager of Business Operation Headquarters of Japan Radio Co., Ltd.</p> <p>April 2014      Executive Officer and General Manager of Business Operation Headquarters of Japan Radio Co., Ltd.</p> <p>June 2014      Director, Executive Officer, and General Manager of Business Operation Headquarters of Japan Radio Co., Ltd.</p> <p>June 2016      President and Representative Director of Japan Radio Co., Ltd. (to the present)</p> <p>June 2017      Director and Senior Executive Managing Officer of the Company (served concurrently, to the present)</p> <p>(Significant concurrent positions at companies other than the Company)</p> <p>President and Representative Director of Japan Radio Co., Ltd.</p>	7,833
<p>[Reason for election of candidate for Director]  Since 2016, Mr. Kenji Ara has served as President and Representative Director of Japan Radio Co., Ltd., which is a consolidated subsidiary of the Company. Since 2017, he also has served as Director of the Company. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial management experience and performance, and high expertise in the radio and communication business of Japan Radio Co., Ltd. Accordingly, he has been proposed as a candidate.</p> <p>[Attendance at the Board of Directors' meetings]  All 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
4	Ryo Ogura (October 1, 1948)	February 1985    Joined New Japan Radio Co., Ltd. June 1999        Director of New Japan Radio Co., Ltd. April 2001       General Manager of Standard IC Division of New Japan Radio Co., Ltd. June 2004        Managing Director of New Japan Radio Co., Ltd. April 2005        Executive of Semiconductor Business Divisions and General Manager of Semiconductor Technology Headquarters of New Japan Radio Co., Ltd. April 2006        General Manager of Semiconductor Production Headquarters of New Japan Radio Co., Ltd. June 2009        Representative Director and Executive Managing Director of NJR FUKUOKA CO., LTD. June 2011        President and Representative Director of New Japan Radio Co., Ltd. June 2016        Director and Executive Managing Officer of the Company (to the present) September 2018 Chairman and Representative Director of New Japan Radio Co., Ltd. (served concurrently, to the present) (Significant concurrent positions at companies other than the Company) Chairman and Representative Director of New Japan Radio Co., Ltd.	29,955
<p>[Reason for election of candidate for Director]            Mr. Ryo Ogura served as President and Representative Director and presently serves as Chairman and Representative Director of New Japan Radio Co., Ltd., which is a consolidated subsidiary of the Company. Since 2016, he also has served as Director of the Company. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial management experience and performance, and high expertise in the micro-device business of New Japan Radio Co., Ltd. Accordingly, he has been proposed as a candidate.</p> <p>[Attendance at the Board of Directors' meetings]            11 out of 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
5	Takayoshi Okugawa (September 13, 1957)	<p>April 1981      Joined the Company</p> <p>January 2007    Assistant Manager of Miai Plant of the Company</p> <p>July 2007      Joined ALOKA CO., LTD.</p> <p>June 2009      Director in charge of General Affairs and General Manager of Internal Control Promotion Department of ALOKA CO., LTD.</p> <p>June 2011      Managing Officer, Senior Manager of CSR Department and Corporate Strategy Department of Corporate Strategy Center (served concurrently), and Senior Manager of Overseas Administration Service Department of Business Support Center of the Company (served concurrently)</p> <p>June 2012      Director, Senior Executive Managing Officer and General Manager of Business Administration Department of Nisshinbo Mechatronics Inc.</p> <p>June 2014      Director, Managing Officer and Chief of Business Support Center of the Company (to the present)</p> <p>June 2016      Director and Executive Managing Officer of the Company (to the present)</p>	25,935
<p>[Reason for election of candidate for Director]  Mr. Takayoshi Okugawa previously served as Director of a consolidated subsidiary. Since 2014, he has served as a Director of the Company, and concurrently as chief officer of the Finance and Accounting Department and the Administration Service Department. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial perception and high expertise regarding business and management of the Group. Accordingly, he has been proposed as a candidate.</p> <p>[Attendance at the Board of Directors' meetings]  All 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
6	<p>[New]</p> <p>Kazunori Baba (September 1, 1959)</p>	<p>April 1983      Joined the Company</p> <p>April 2009      Managing Officer, Senior Manager of Corporate Governance Department of Corporate Strategy Center, Senior Manager of Human Resources &amp; Administration Service Department of Business Support Center (served concurrently)</p> <p>June 2013      Deputy Chief of Business Support Center</p> <p>June 2014      Director and Managing Officer</p> <p>June 2016      President and Representative Director of Nisshinbo Textile Inc. (to the present)</p> <p>Executive Managing Officer of the Company (to the present)</p> <p>(Significant concurrent positions at companies other than the Company)</p> <p>President and Representative Director of Nisshinbo Textile Inc.</p>	5,790
<p>[Reason for election of candidate for Director]</p> <p>Since 2014, Mr. Kazunori Baba has served as President and Representative Director of Nisshinbo Textile Inc., which is a consolidated subsidiary of the Company. Since 2016, he also has served as Executive Managing Officer of the Company. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial management experience and performance, and high expertise of Nisshinbo Textile Inc. Accordingly, he has been proposed as a candidate.</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
7	<p>[New] Yasuji Ishii (December 25, 1964)</p>	<p>April 1988      Joined the Company  April 2011      Managing Officer and General Manager of Production of Friction Materials Division of Nisshinbo Brake Inc.  April 2013      Executive Managing Officer, Senior Manager of Strategy Office (served concurrently) and, General Manager of Product Division (served concurrently) and Engineering Division (served concurrently) of Nisshinbo Brake Inc.  June 2013      Director and Executive Managing Officer of Nisshinbo Brake Inc.  January 2015    Director, Executive Managing Officer and Senior Manager of Brake R&amp;D Division of Nisshinbo Brake Inc.  April 2015      Vice President and Director of Nisshinbo Brake Inc.  June 2015      Managing Officer of the Company (to the present)  June 2017      President and Representative Director of Nisshinbo Brake Inc. (to the present)  (Significant concurrent positions at companies other than the Company)  President and Representative Director of Nisshinbo Brake Inc.</p>	620
<p>[Reason for election of candidate for Director]  After his assumption of office as a Managing Officer of the Company in 2015, Mr. Yasuji Ishii has served as President and Representative Director of Nisshinbo Brake Inc., which is a consolidated subsidiary of the Company, since 2017. The Company has judged that he would be fully able to perform his duties as Director in light of his substantial management experience and performance, and high expertise of Nisshinbo Brake Inc. Accordingly, he has been proposed as a candidate.</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
8	<p>[Candidate for Independent Outside Director] Noboru Matsuda (December 13, 1933)</p>	<p>April 1963 Public Prosecutor of Tokyo District Court Public Prosecutors Office</p> <p>January 1981 Director of Juvenile Division of Criminal Affairs Bureau of Ministry of Justice</p> <p>August 1985 Special Trial Director of Tokyo High Public Prosecutors Office</p> <p>August 1987 Special Investigation Director of Tokyo District Court Public Prosecutors Office</p> <p>September 1989 Public Prosecutor of Supreme Public Prosecutors Office</p> <p>December 1991 Chief Prosecutor of Mito District Court Public Prosecutors Office</p> <p>July 1993 Director-General of the Correction Bureau of Ministry of Justice</p> <p>July 1995 Director of the Criminal Affairs Bureau of Supreme Public Prosecutors Office</p> <p>June 1996 Governor of Deposit Insurance Corporation of Japan</p> <p>June 2004 Advisor of Deposit Insurance Corporation of Japan</p> <p>September 2004 Registered as an attorney-at-law (to the present)</p> <p>June 2012 Outside Director of the Company (to the present)</p> <p>(Significant concurrent positions at companies other than the Company)</p> <p>Outside Director of Hakuholdo DY Holdings Inc.</p> <p>Outside Director of Mitsubishi UFJ NICOS Co., Ltd.</p> <p>Outside Director of Yomiuri Giants</p>	0
<p>[Reason for election of candidate for Outside Director] Mr. Noboru Matsuda has work experience as a prosecuting attorney and attorney-at-law, and professional knowledge about laws, etc. The Company has appointed him as a candidate for Outside Director in the hope that he would be able to utilize his significant expert knowledge, substantial experience and expertise in the supervision of the management of the Group.</p> <p>[Attendance at the Board of Directors' meetings] All 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
9	[Candidate for Independent Outside Director] Yoshinori Shimizu (February 9, 1948)	<p>April 1989 Professor of Faculty of Commerce and Management of Hitotsubashi University</p> <p>August 2000 Dean of Graduate School of Commerce and Management and Faculty of Commerce and Management of Hitotsubashi University</p> <p>April 2003 Executive Vice President of Hitotsubashi University</p> <p>May 2004 President of Japan Society of Monetary Economics</p> <p>September 2004 Vice President of The Mont Pelerin Society</p> <p>April 2011 Professor Emeritus of Hitotsubashi University (to the present) and Specially Appointed Professor of Graduate School of Commerce and Management of Hitotsubashi University</p> <p>June 2012 Outside Director of the Company (to the present)</p> <p>(Significant concurrent positions at companies other than the Company) Outside Director of Tokyo Century Corporation</p>	0
<p>[Reason for election of candidate for Outside Director] Mr. Yoshinori Shimizu, as a university professor, has professional knowledge mainly about monetary and finance. The Company has appointed him as a candidate for Outside Director in the hope that he would be able to utilize his significant expert knowledge, substantial experience and expertise in the supervision of the management of the Group.</p> <p>[Attendance at the Board of Directors' meetings] All 12 meetings</p>			
10	[Candidate for Independent Outside Director] Shinobu Fujino (July 13, 1957)	<p>April 1987 Joined Ryoka Systems Inc.</p> <p>June 2003 Opened a counseling business office (to the present)</p> <p>June 2015 Outside Director of the Company (to the present)</p>	0
<p>[Reason for election of candidate for Outside Director] Ms. Shinobu Fujino, as a career counselor, has professional knowledge and experience mainly about human resources development. The Company has appointed her as a candidate for Outside Director in the hope that she would be able to utilize her substantial knowledge and experience, as well as her female viewpoint and sensitivity in the supervision of the management of the Group and the promotion of diversity management.</p> <p>[Attendance at the Board of Directors' meetings] 10 out of 12 meetings</p>			

No.	Name (Date of Birth)	Brief personal profile, title, responsibilities and significant concurrent positions at companies other than the Company	Number of Company's shares held
11	[New] [Candidate for Independent Outside Director] Keiji Taga (July 25, 1950)	<p>April 1973      Joined Japan Development Bank (currently Development Bank of Japan Inc.)</p> <p>October 1999    General Manager of Urban Development Department of Development Bank of Japan Inc.</p> <p>June 2002        General Manager of General Affairs Department of Development Bank of Japan Inc.</p> <p>June 2004        Executive Director of Development Bank of Japan Inc.</p> <p>October 2008    Director and Executive Managing Officer of Development Bank of Japan Inc.</p> <p>June 2009        Vice President and Representative Director of Tokyo Ryutsu Center Inc.</p> <p>                      President and Representative Director of TRC Service Co., Ltd.</p> <p>June 2013        President and Representative Director of Tokyo Ryutsu Center Inc.</p> <p>                      Director of TRC Service Co., Ltd.</p> <p>June 2017        Chairman and Director of DBJ Asset Management Co., Ltd.</p> <p>June 2018        Adviser of DBJ Asset Management Co., Ltd. (to the present)</p> <p>(Significant concurrent positions at companies other than the Company) Outside Director of Seiko PMC Corporation</p>	0
<p>[Reason for election of candidate for Outside Director] Mr. Keiji Taga served to manage companies for a long time as a director of government-affiliated financial institution and a president of business corporation. The Company has appointed him as a candidate for Outside Director in the hope that he would be able to utilize his substantial management experience and performance, and high expertise in the supervision of the management of the Group.</p>			

(Notes)

1. There is no special interest between each of the candidates and the Company.
2. Mr. Noboru Matsuda, Mr. Yoshinori Shimizu, Ms. Shinobu Fujino and Mr. Keiji Taga are candidates for Outside Directors.
3. Mr. Noboru Matsuda, Mr. Yoshinori Shimizu and Ms. Shinobu Fujino have been designated as Independent Officers provided for by the stock exchanges on which the Company's shares are listed and have been filed with the relevant stock exchanges. In the event that each candidate assumes approval as reelected, the Company is continuously scheduled to report Independent Officers. Furthermore, in the event that Mr. Keiji Taga is elected as Outside Director, he will be designated as Independent Officer and be filed with the aforesaid stock exchanges.
4. The term of office of candidates for Outside Directors and other related information are as follows:
  - (1) The term of office of Mr. Noboru Matsuda as Outside Director of the Company will have been six years and nine months at the conclusion of this General Meeting.
  - (3) The term of office of Mr. Yoshinori Shimizu as Outside Director of the

- Company will have been six years and nine months at the conclusion of this General Meeting.
- (4) The term of office of Ms. Shinobu Fujino as Outside Director of the Company will have been three year and nine months at the conclusion of this General Meeting. Furthermore, her name on the Family Registration is Ms. Shinobu Kato but her name on business is Ms. Shinobu Fujino.
  5. Japan Radio Co., Ltd., where Mr. Noboru Matsuda served as Outside Director until June 2015, was subject to an on-site investigation by Japan Fair Trade Commission on November 18, 2014 regarding transactions involving the delivery of fire-fighting and emergency radio communication equipment. Subsequently, on February 2, 2017, the Commission issued a cease-and-desist order and an administrative surcharge payment order to the company for a suspected violation of the Antimonopoly Act of Japan. Although Mr. Matsuda had routinely given guidance and advice from the perspective of compliance at the company's board of directors meetings, he served his responsibility as Outside Director to require investigation of facts and strengthen its systems and structure to prevent recurrence after an on-site investigation by the Commission.
  6. The Company has entered into a liability limiting agreement with Mr. Noboru Matsuda, Mr. Yoshinori Shimizu and Ms. Shinobu Fujino under which the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act shall be limited to the prescribed 5 million yen, or the amount provided for in laws and regulations, whichever is higher, on the assumption that he/she discharges his/her duties in good faith and without gross negligence. In the event that each of them is reelected, the agreement will be continued. Furthermore, in the event that Mr. Keiji Taga is elected, the Company is scheduled to enter into a liability limiting agreement equivalent thereto with him.

## Second Item of Business: Election of Four (4) Audit & Supervisory Board Members

The term of office of all of the four (4) Audit & Supervisory Board Members will expire at the conclusion of this General Meeting. Accordingly, four (4) Audit & Supervisory Board Members including two (2) Outside Audit & Supervisory Board Members are proposed to be elected.

The Audit & Supervisory Board has consented to this Item of Business.

The candidates are as follows:

No.	Name (Date of Birth)	Brief personal profile, title and significant concurrent positions at companies other than the Company	Number of Company's shares held
1	[New] Toshihiro Kijima (July 4, 1956)	<p>April 1979      Joined the Company</p> <p>April 2007      Managing Officer and Deputy General Manager of Paper Products Division of the Company</p> <p>April 2009      Director, Managing Officer, General Manager of Strategic Planning Department and General Manager of Specialty Paper Division of Nisshinbo Paper Products Inc.</p> <p>June 2010      Managing Officer and Deputy General Manager of Business Development Division of the Company</p> <p>June 2012      Director and Senior Executive Managing Officer of Nisshinbo Chemical Inc.</p> <p>June 2013      Vice President and Director of Nisshinbo Chemical Inc.</p> <p>June 2013      Director of the Company General Manager of Business Development Division of the Company (to the present) President and Representative Director of Nisshinbo Chemical Inc.</p> <p>June 2016      Executive Managing Officer of the Company (to the present)</p>	11,730
<p>[Reason for election of candidate for Audit &amp; Supervisory Board Member]</p> <p>Since 2013, Mr. Toshihiro Kijima has served as Responsible for Supervising of Business Development Division. Since 2016, he also has served as Executive Managing Officer of the Company. The Company has judged that he would be fully able to perform his duties as Audit &amp; Supervisory Board Member in light of his management experience as Director of the Company and President and Representative Directors of consolidated subsidiary of the Company. Accordingly, he has been proposed as a candidate.</p>			

No.	Name (Date of Birth)	Brief personal profile, title and significant concurrent positions at companies other than the Company		Number of Company's shares held
2	Takumi Ohmoto (May 30, 1955)	April 1978	Joined the Company	15,900
		January 2007	Manager of Finance Department and Accounting Department of Accounting and Finance Division of the Company	
June 2010	Senior Manager of Finance, Accounting & IT Service Department of Business Support Center of the Company			
June 2015	Standing Audit & Supervisory Board Member (to the present)			
[Reason for election of candidate for Audit & Supervisory Board Member] After his assumption of office as Manager of Finance Division of the Company, Mr. Takumi Ohmoto served as Audit & Supervisory Board Member of the Company since 2015. The Company has judged that he would be fully able to perform his duties as Audit & Supervisory Board Member in light of his professional knowledge and work experience for finance and accounting, and substantial perception for each business of the Group. Accordingly, he has been proposed as a candidate.				
3	[New] [Candidate for Independent Outside Audit & Supervisory Board Member] Atsushi Yamashita (March 5, 1958)	April 1988	Registered as an attorney-at-law (to the present) Joined Tanaka & Takahashi Law Office	0
		May 2001	Joined Clifford Chance Law Office	
May 2011	Joined K&L Gates LLP			
October 2014	Joined Sonderhoff & Einsel Law and Patent Office (to the present)			
[Reason for election of candidate for Outside Audit & Supervisory Board Member] Mr. Atsushi Yamashita has work experience as an attorney-at-law and professional knowledge about international legal affairs. The Company has appointed him as a candidate for Outside Audit & Supervisory Board Member in the hope that he would be able to utilize his significant expert knowledge, substantial experience and expertise in the supervision of the management of the Group.				

No.	Name (Date of Birth)	Brief personal profile, title and significant concurrent positions at companies other than the Company	Number of Company's shares held
4	[New] [Candidate for Independent Outside Audit & Supervisory Board Member] Mitsunori Watanabe (July 11, 1957)	<p>April 1980      Joined Shikoku Chemicals Corporation</p> <p>March 2002    General Manager of Corporate Planning Department of Shikoku Chemicals Corporation</p> <p>June 2013      Managing Officer of Shikoku Chemicals Corporation</p> <p>June 2014      Director, Managing Officer and Supervising Corporate Planning and Secretary of Shikoku Chemicals Corporation (served concurrently)</p> <p>June 2016      Director, Managing Officer and Supervising Corporate Planning of Shikoku Chemicals Corporation</p> <p>March 2017    Director, Managing Officer and Assistant of Planning and Management of Shikoku Chemicals Corporation (to the present)</p> <p>February 2018 Director, Managing Officer and Regional Director of Osaka Branch Office of Shikoku Chemicals Corporation (served concurrently, to the present)</p>	0
<p>[Reason for election of candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>After his assumption of office as a person responsible for Planning and Management of Shikoku Chemicals Corporation for a long time, Mr. Mitsunori Watanabe also serves as Director to manage Shikoku Chemicals Corporation since 2014. The Company has appointed him as a candidate for Outside Audit &amp; Supervisory Board Member in the hope that he would be able to utilize his substantial experience and expertise in the audit of the management of the Group.</p>			

(Notes)

1. There is no special interest between each of the candidates and the Company.
2. Both Mr. Atsushi Yamashita and Mr. Mitsunori Watanabe are candidates for Outside Audit & Supervisory Board Members.
3. In the event that Mr. Atsushi Yamashita and Mr. Mitsunori Watanabe are elected as Outside Audit & Supervisory Board Member, they will be designated as Independent Officer provided for by the stock exchanges on which the Company's shares are listed and be filed with the relevant stock exchanges.
4. Kuroda Electric Co., Ltd., where Mr. Atsushi Yamashita assumed office as an Outside Director until March 2018, received a representation by one of its shareholders with regard to the proposal of electing directors submitted by the shareholder and rejected at the extraordinary meeting of shareholders held on August 21, 2015. Prior to the extraordinary meeting of shareholders, the statement was published under the name of "Jiseikai Group and All Employees" to express opposition against the proposal. Kuroda was claimed by the shareholder that the statement had been prepared wrongfully by some of Kuroda's executive managers. In order to address this issue, Mr. Yamashita took the lead in the establishment of an outside investigation committee and personnel selection to track down the facts. In addition, he was actively involved with the imposition of disciplinary punishment of persons concerned, the implementation of recurrence prevention measures and other necessary actions.

5. The Company has entered into a liability limiting agreement with Mr. Takumi Ohmoto under which the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act shall be limited to the prescribed 5 million yen, or the amount provided for in laws and regulations, whichever is higher, on the assumption that he discharges his duties in good faith and without gross negligence. In the event that each of them is reelected, the agreement will be continued. Furthermore, In the event that Mr. Toshihiro Kijima, Mr. Atsushi Yamashita and Mr. Mitsunori Watanabe are elected, the Company is scheduled to enter into a liability limiting agreement equivalent thereto with them.

### Third Item of Business: Election of One (1) Substitute Audit & Supervisory Board Member

In preparation for a case in which the number in the office of Audit & Supervisory Board Members becomes less than the minimum number provided for in laws and regulations, we would like to ask shareholders to elect one (1) Substitute Audit & Supervisory Board Member in advance.

The Board of Audit & Supervisory Board Members has consented to this Item of Business.

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

Name (Date of Birth)	Brief personal profile, title and significant concurrent positions at companies other than the Company	Number of Company's shares held
[Candidate for Independent Outside Substitute Audit & Supervisory Board Member] Fumihiro Nagaya (November 27, 1965)	April 1991      Assistant Judge April 2000      Public Prosecutor March 2003      Justice of Court April 2004      Researcher in the Supreme Court June 2009      Registered as an attorney-at-law (to the present)	0
[Reason for election of candidate for Substitute Outside Audit & Supervisory Board Member] Mr. Fumihiro Nagaya has work experience as a justice and attorney-at-law and professional knowledge about legal affairs. The Company has appointed him as a candidate for Substitute Outside Audit & Supervisory Board Member in the hope that he would be able to utilize his significant expert knowledge, substantial experience and expertise in the supervision of the management of the Group.		

(Notes)

1. There is no special interest between the candidate and the Company.
2. Mr. Fumihiro Nagaya is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. In the event that Mr. Fumihiro Nagaya assumes the office of Outside Audit & Supervisory Board Member, the Company is scheduled to report Independent Officers provided for by the stock exchanges on which the Company's shares are listed and will be filed with the relevant stock exchanges.
4. In the event that Mr. Fumihiro Nagaya assumes the office of Outside Audit & Supervisory Board Member, the Company is scheduled to enter into a liability limiting agreement with him, under which the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act shall be limited to the prescribed 5 million yen, or the amount provided for in laws and regulations, whichever is higher, on the assumption that he discharges his duties in good faith and without gross negligence.

- End -