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Securities code: 4043
June 3, 2019

To Those Shareholders with Voting Rights

Hiroshi Yokota
Representative Director
Tokuyama Corporation
1-1 Mikage-cho, Shunan-shi, Yamaguchi

Notice of Convocation of the 155th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 155th Ordinary General Meeting of Shareholders of the Company.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, June 20, 2019.

Exercise of Voting Rights in Writing (by Mail)

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it arrives by the voting deadline indicated above.

Exercise of Voting Rights via the Internet

Access the Company's designated voting rights exercise website (<https://evote.tr.mufg.jp/>), input the login ID and temporary password indicated on the enclosed Voting Rights Exercise Form, follow the instructions on the screen, and input your approval or disapproval of the proposals by the voting deadline indicated above.

1. Date and time: Friday, June 21, 2019, at 10:00 a.m. (Reception opens at 9:00 a.m.)
*** Please come early to the venue as the reception will be congested as it becomes close to the commencement of the meeting.**

2. Place: Tokuyama Corporation Culture Gymnasium
1-1-25, Eguchi, Shunan-shi, Yamaguchi

3. Meeting agenda

Matters to be reported:

1. Report on the Business Report, the Consolidated Financial Statements for the 155th Fiscal Term (from April 1, 2018 to March 31, 2019) and the Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Report on the Non-Consolidated Financial Statements for the 155th Fiscal Term (from April 1, 2018 to March 31, 2019)

Matters to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal No. 3:** Election of Four (4) Directors who are Audit and Supervisory Committee Members

Proposal No. 4: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

4. Decision for convocation

Please refer to the information on the exercise of voting rights.

* When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception.

* The following items are not provided in the appendix to the reported matters because they have been posted on the Company's website (<https://www.tokuyama.co.jp/>), pursuant to the provisions of applicable laws and regulations and Article 16 of the Articles of Incorporation.

(1) "Systems to Ensure Appropriateness of Execution of Duties by Directors comply with Laws and Regulations and the Articles of Incorporation, Systems to Ensure Appropriateness of Other Operations, and Operational Status of the Systems" and "Basic Policy on Control of the Company"

(2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements

(3) "Non-Consolidated Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements

The Audit and Supervisory Committee and the Accounting Auditor conducted audits on the Business Report the Consolidated Financial Statements and Non-Consolidated Financial Statements when preparing the audit report and the financial audit report respectively. These statements are also included the matters posted on the Company's website.

* If any revision is made with regard to the matters stated in the Business Report, Non-Consolidated Financial Statements, Consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders, the modified information will be shown on the website of the Company (<https://www.tokuyama.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company makes payment of cash dividends to shareholders, in principle on a continuous and stable basis, while taking into consideration changes in business performance and the medium-term business plan.

Meanwhile, we will appropriate internal reserves for establishing a sound financial structure in preparation for operational risks, and for making capital investments and other investments to further raise our corporate value.

Based on the above policies, the Company proposes the year-end dividends for the fiscal term under review as follows.

1. Type of dividend property:

Dividends will be paid in cash.

2. Matters concerning the allocation of dividend property to shareholders and total amount thereof:

25 yen per share of common stock of the Company

The total amount: 1,738,810,250 yen

As the Company has paid an interim dividend of 25 yen per share for this fiscal year, this makes the annual dividends 50 yen per share.

3. Effective date of distribution of surplus

June 24, 2019

Proposal No. 2: Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all Six (6) Directors will expire at the close of this General Meeting of Shareholders.

Accordingly, we propose to decrease two (2) Directors (excluding Directors who are Audit and Supervisory Committee Members) to establish and build a structure that can expeditiously implement business strategies, and request the election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members).

Furthermore, we confirmed that there were no matters of note expressed by the Audit and Supervisory Committee at the General Meeting of Shareholders with regard to this Proposal.

The candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

No.	Name	Current position and assignment at the Company	Attendance at meetings of the Board of Directors
1	Candidate for reelection Hiroshi Yokota	Representative Director, Supervision of all business divisions and Audit Office, President and Executive Officer	17/17 (100%)
2	Candidate for reelection Hideki Adachi	Director, In charge of Tokuyama Factory, Kashima Factory, Environment & Safety Dept., and Manufacturing Technology, Senior Managing Executive Officer, General Manager, Tokuyama Factory	17/17 (100%)
3	Candidate for reelection Hideo Sugimura	Director, In charge of Corporate Planning Div., General & Personnel Affairs and Secretarial Dept. Managing Executive Officer, General Manager, Corporate Planning Div.	17/17 (100%)
4	New Candidate Hiroshi Nomura	Managing Executive Officer, General Manager, Specialty Products Business Div.	—

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
1	<p><u>Reelected</u></p> <p>Hiroshi Yokota (October 12, 1961)</p> <p>Number of Company Shares Owned: 13,700 shares</p> <p>Tenure as Director: 4 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2019: 17/17 (100%)</p>	<p>April 1985</p> <p>April 2008</p> <p>January 2010</p> <p>April 2014</p> <p>March 2015</p> <p>June 2015</p> <p>June 2017</p>	<p>Joined the Company</p> <p>General Manager, Fine Chemicals Sales Dept.</p> <p>General Manager, Silica Products Sales Dept.</p> <p>Executive Officer, General Manager, Specialty Products Business Div.</p> <p>President and Executive Officer</p> <p>Representative Director, Supervision of all business divisions, Corporate Planning Div., Audit Office, Secretarial Dept. and General & Personnel Affairs, President and Executive Officer</p> <p>Representative Director, Supervision of all business divisions and Audit Office, President and Executive Officer (To present)</p>
<p>Reasons for nomination as candidate for Director</p> <p>Mr. Hiroshi Yokota is responsible for the management of the Company as Representative Director and President and Executive Officer. He has experiences in sales, personnel and labor issues, and information systems projects, as well as in serving as General Manager, Specialty Products Business Div. Showing strong leadership and with these abundant business experiences, he succeeded in putting an end to a big issue of concern: rebuilding the deteriorated financial base, and has driven the Company toward growth. Based on these track records, we again propose his election as Director.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
2	<p data-bbox="296 488 395 517">Reelected</p> <p data-bbox="296 539 443 607">Hideki Adachi (May 24, 1955)</p> <p data-bbox="296 629 576 712">Number of Company Shares Owned: 4,200 shares</p> <p data-bbox="296 741 480 797">Tenure as Director: 4 years</p> <p data-bbox="296 824 587 965">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2019: 17/17 (100%)</p>	<p data-bbox="616 315 719 338">April 1981</p> <p data-bbox="616 349 719 371">April 2007</p> <p data-bbox="616 383 719 405">April 2011</p> <p data-bbox="616 439 719 461">April 2012</p> <p data-bbox="616 495 719 517">April 2013</p> <p data-bbox="616 528 719 551">April 2015</p> <p data-bbox="616 584 719 607">June 2015</p> <p data-bbox="616 640 719 663">April 2016</p> <p data-bbox="616 696 719 719">April 2017</p> <p data-bbox="616 752 719 775">April 2019</p>	<p data-bbox="815 315 1015 338">Joined the Company</p> <p data-bbox="815 349 1278 371">General Manager, Cement Manufacturing Dept.</p> <p data-bbox="815 383 1342 439">Deputy General Manager, Tokuyama Factory, General Manager, Cement Manufacturing Dept.</p> <p data-bbox="815 450 1334 506">Executive Officer, Deputy General Manager, Cement Business Div.</p> <p data-bbox="815 517 1358 539">Executive Officer, General Manager, Tokuyama Factory</p> <p data-bbox="815 551 1278 607">Managing Executive Officer, General Manager, Tokuyama Factory</p> <p data-bbox="815 618 1254 663">Director, In charge of Tokuyama Factory and Manufacturing Technology</p> <p data-bbox="815 674 1278 730">Managing Executive Officer, General Manager, Tokuyama Factory</p> <p data-bbox="815 741 1254 797">Director, In charge of Tokuyama Factory and Manufacturing Technology</p> <p data-bbox="815 808 1334 887">Managing Executive Officer, General Manager, Tokuyama Factory, General Manager, Manufacturing Technology Div.</p> <p data-bbox="815 898 1214 920">Director, In charge of Tokuyama Factory</p> <p data-bbox="815 931 1278 987">Managing Executive Officer, General Manager, Tokuyama Factory</p> <p data-bbox="815 999 1342 1133">Director, In charge of Tokuyama Factory, Kashima Factory, Environment & Safety Dept., Manufacturing Technology Senior Managing Executive Officer, General Manager, Tokuyama Factory (To present)</p>
<p data-bbox="296 1144 775 1167">Reasons for nomination as candidate for Director</p> <p data-bbox="296 1178 1366 1323">Mr. Hideki Adachi is responsible for the management of the Company as Director and Senior Managing Executive Officer. He has operational experiences at Cement Manufacturing Dept., etc., and has been serving as General Manager of the Tokuyama Factory, our main production base, since 2013. We request his reelection as a Director, based on his abundant operational experiences to date and track records of increasing competitiveness of the entire plant from a broad standpoint as well as promoting safety and disaster management.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
3	<p data-bbox="296 488 395 517">Reelected</p> <p data-bbox="296 589 483 651">Hideo Sugimura (October 22, 1959)</p> <p data-bbox="296 678 576 763">Number of Company Shares Owned: 1,003 shares</p> <p data-bbox="296 790 483 846">Tenure as Director: 2 year</p> <p data-bbox="296 873 587 1010">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2019: 17/17 (100%)</p>	<p data-bbox="616 315 724 344">April 1984</p> <p data-bbox="616 349 724 378">April 2004</p> <p data-bbox="616 412 724 441">April 2007</p> <p data-bbox="616 448 724 477">May 2009</p> <p data-bbox="616 483 740 512">August 2011</p> <p data-bbox="616 573 724 602">April 2012</p> <p data-bbox="616 663 724 692">April 2014</p> <p data-bbox="616 752 772 781">December 2014</p> <p data-bbox="616 815 724 844">April 2015</p> <p data-bbox="616 878 724 907">April 2017</p> <p data-bbox="616 940 724 969">June 2017</p> <p data-bbox="616 1066 724 1095">April 2019</p>	<p data-bbox="820 315 1018 344">Joined the Company</p> <p data-bbox="820 349 1334 405">Temporary transferred to Tokuyama Asia Pacific Pte. Ltd., President</p> <p data-bbox="820 412 1315 441">Senior Chief, ERP Promotion Div. of the Company</p> <p data-bbox="820 448 1182 477">Senior Chief, ISAAC Promotion Div.</p> <p data-bbox="820 483 1362 568">Senior Chief, temporary transferred to Excel Shanon Corporation, General Manager of Administration Dept., Administration Div.</p> <p data-bbox="820 573 1353 658">Senior Chief of the Company, temporary transferred to Excel Shanon Corporation, Director, General Manager of Administration Div.</p> <p data-bbox="820 663 1362 748">Senior Chief of the Company, temporary transferred to Excel Shanon Corporation, Managing Director, General Manager of Administration Div.</p> <p data-bbox="820 752 1342 815">General Manager, Management Support Center of the Company, Director, Excel Shanon Corporation</p> <p data-bbox="820 815 1374 878">Executive Officer, General Manager, Corporate Planning Div. of the Company</p> <p data-bbox="820 878 1283 940">Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="820 940 1362 1061">Director, In charge of Corporate Planning Div., General & Personnel Affairs and Secretarial Dept. Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="820 1066 1362 1182">Director, In charge of Corporate Planning Div., General & Personnel Affairs and Secretarial Dept. Managing Executive Officer, General Manager, Corporate Planning Div. (To present)</p>
<p data-bbox="296 1189 772 1218">Reasons for nomination as candidate for Director</p> <p data-bbox="296 1218 1362 1355">Mr. Hideo Sugimura is responsible for the management of the Company as Director and Managing Executive Officer. He has worked to promote the conversion of an information system, managed an overseas subsidiary, and reconstructed a domestic subsidiary. Based on these abundant operational experiences, as well as the track records of promoting managerial initiatives as General Manager of Corporate Planning Div. from 2015 and as General Manager of Corporate Planning Div. from 2019, we again propose his election as Director.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
4	<div style="border: 1px solid black; display: inline-block; padding: 2px;">New Candidate</div> Hiroshi Nomura (September 30, 1957) Number of Company Shares Owned: 1,800 shares	April 1983 Joined the Company April 2012 Leader, Specialty Products Planning Group January 2013 Senior Chief, T.M. Business Structural Reform Project Group, Specialty Products Planning Group April 2014 Deputy Executive Officer, temporary transferred to Tokuyama Malaysia Sdn. Bhd. March 2015 Deputy Executive Officer, General Manager, Specialty Products Business Div. of the Company April 2015 Executive Officer, General Manager, Specialty Products Business Div. March 2016 Executive Officer, General Manager, Specialty Products Business Div. Temporary transferred to Tokuyama Malaysia Sdn. Bhd.; President May 2017 Executive Officer, General Manager, Specialty Products Business Div. of the Company April 2018 Managing Executive Officer, General Manager, Specialty Products Business Div. (To present) (Principal Concurrent Positions) Chairman, Tokuyama Chemicals (Zhejiang) Co., Ltd.
Reasons for nomination as candidate for Director Mr. Hiroshi Nomura is promoting businesses including Polysilicon, silica products, IC chemical products and thermal management materials as Managing Executive Officer and General Manager of Specialty Products Business Div. We request his new election, since he is a right person to serve as a Director as he possesses broad and abundant experiences in Polysilicon manufacturing, specialty products planning, and management of overseas subsidiaries, in addition to a business philosophy from a higher perspective.		

Note:

There are no special interests between the candidates and the Company.

Proposal No. 3: Election of Four (4) Directors who are Audit and Supervisory Committee Members

The terms of office of all five (5) Directors who are Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders.

Taking into account the current management structure of the Company, we judged that the diversity in the Board as well as effective governance can be maintained even after reducing the number of Directors who are Audit and Supervisory Committee Members to four (4). Accordingly, we propose to decrease one (1) Director who is Audit and Supervisory Committee Member and request the election of four (4) Directors who are Audit and Supervisory Committee Members.

The Audit and Supervisory Committee has given its consent to the submission of this proposal.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

No.	Name	Current position and assignment at the Company	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
1	Candidate for reelection Youji Miyamoto	Director (Audit and Supervisory Committee Member)	17/17 (100%)	25/25 (100%)
2	Candidate for reelection Shin Kato	External Director (Audit and Supervisory Committee Member)	17/17 (100%)	25/25 (100%)
3	New candidate Yuzo Kawamori	—	—	—
4	New candidate Naoki Matsumoto	—	—	—

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
1	<p><u>Reelected</u></p> <p>Youji Miyamoto (January 22, 1958)</p> <p>Number of Company Shares Owned: 1,300 common shares</p> <p>Tenure as Audit & Supervisory Board Member: 2 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2019: 17/17 (100%)</p> <p>Attendance at meetings of the Audit & Supervisory Committee during the fiscal year ended March 31, 2019: 25/25 (100%)</p>	<p>April 1980</p> <p>April 2005</p> <p>October 2007</p> <p>October 2011</p> <p>June 2013</p> <p>June 2013</p> <p>June 2017</p>	<p>Joined the Company</p> <p>General Manager, Accounting Dept.</p> <p>Senior Chief, Management Support Center (Tokuyama)</p> <p>General Manager, Foreign Trade Control Dept.</p> <p>Senior Chief, Corporate Social Responsibility Div.</p> <p>Audit & Supervisory Board Member</p> <p>Director (Audit and Supervisory Committee Member) (To present)</p>
<p>Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member Mr. Youji Miyamoto is supervising the management properly as a Director who is an Audit and Supervisory Committee Member. He has high degree of expertise in finance and accounting gained through his years of accounting operation at the Company, and served as an Audit & Supervisory Board Member from 2013 to 2017. For this reason, we again propose his election as a Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
2	<p><u>Reelected</u> <u>Candidate for External Director</u></p> <p>Shin Kato (June 27, 1961)</p> <p>Number of Company Shares Owned: 1,100 common shares</p> <p>Tenure as Audit & Supervisory Board Member: 2 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2019: 17/17 (100%)</p> <p>Attendance at meetings of the Audit & Supervisory Committee during the fiscal year ended March 31, 2019: 25/25 (100%)</p>	<p>April 1990 Registered as Lawyer, Hiranuma Law Office</p> <p>April 1995 Aoyama Central Law Office</p> <p>September 2001 South Toranomom Law Office</p> <p>June 2013 Audit & Supervisory Board Member of the Company</p> <p>January 2014 Representative lawyer, Kato Law Office (To present)</p> <p>June 2017 Director (Audit and Supervisory Committee Member) of the Company (To present)</p> <p>(Principal Concurrent Positions) Representative Lawyer, Kato Law Office</p>
<p>Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member</p> <p>Mr. Shin Kato has not been involved in the corporate management other than by being an external director or an external auditor. However, he has actively expressed opinions and given advice at meetings of the Board of Directors and the Audit & Supervisory Committee because he has a wealth of experience and broad and deep insight in addition to his technical perceptive as an attorney at law. For this reason, we again propose his election as an External Director who is an Audit and Supervisory Committee Member.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
3	<p data-bbox="316 432 459 461">New candidate</p> <p data-bbox="316 472 587 501">Candidate for External Director</p> <p data-bbox="316 557 472 622">Yuzo Kawamori (July 25, 1947)</p> <p data-bbox="316 651 592 734">Number of Company Shares Owned: 0 common shares</p>	<p data-bbox="639 297 1110 327">April 1971 Joined Kansai Paint Co., Ltd.</p> <p data-bbox="639 333 1331 387">October 2000 Deputy General Manager, Sales Dept., International Business Div.</p> <p data-bbox="639 394 1358 423">June 2002 Director, General Manager, International Business Div.</p> <p data-bbox="639 430 1353 568">June 2005 Managing Director, Supervision of Sales, Painting Business Dept. (automotive painting and industrial painting), General Manager, Sales Planning Administration Div., General Manager, International Business Div.</p> <p data-bbox="639 575 1347 714">June 2007 Senior Managing Director, Supervision of Sales, Painting Business Dept. (automotive painting and industrial painting) General Manager, Sales Planning Administration Div. General Manager, International Business Div.</p> <p data-bbox="639 721 1195 750">April 2010 Representative Director and President</p> <p data-bbox="639 757 1058 786">April 2013 Representative Director</p> <p data-bbox="639 792 906 822">June 2013 Advisor</p> <p data-bbox="639 828 1145 857">June 2017 Honorary Councilor (To present)</p>
<p data-bbox="316 871 1315 925">Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member</p> <p data-bbox="316 925 1347 1034">Mr. Yuzo Kawamori has abundant experience in overseas businesses and as a corporate manager. For this reason, we newly propose his election as an External Director who is an Audit and Supervisory Committee Member as we expect him to offer appropriate supervision on the management and provide invaluable advice.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
4	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">New candidate</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Candidate for External Director</div> <p>Naoki Matsumoto (April 1, 1953)</p> <p>Number of Company Shares Owned: 0 common shares</p>	April 1975	Joined The Sanwa Bank, Ltd.
		January 2002	Executive Officer, UFJ Bank Limited
		June 2004	Managing Executive Officer
		October 2005	Managing Executive Officer, Deputy General Manager, Retail Consolidated Business Headquarters, Mitsubishi UFJ Financial Group, Inc.
		January 2006	Managing Executive Officer, Deputy General Manager, Retail Div., The Bank of Tokyo-Mitsubishi UFJ, Ltd.
		June 2007	Representative Director, Senior Executive Officer, JCB Co., Ltd.
		April 2011	Representative Director, Vice President and Executive Officer
		June 2012	President and Director, Toyo Carmax Corporation
June 2016	President and CEO, MST Insurance Service Co., Ltd. (To present)		
<p>Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member</p> <p>Mr. Naoki Matsumoto has abundant experience as a corporate manager in the financial industry. For this reason, we newly propose his election as an External Director who is an Audit and Supervisory Committee Member as we expect him to offer appropriate supervision on the management and provide invaluable advice.</p>			

Notes:

1. The three (3) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto are candidates for External Directors.
2. There are no special interests between the four (4) candidates—Mr. Youji Miyamoto, Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto—and the Company.
3. The three (3) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto are not planning to receive a large amount of money and other assets from the Company or a business with a specified relationship with the Company, nor have they received these in the past two years.
4. The three (3) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto are not a spouse or relative within the third degree of consanguinity or of similar status of an executive or officer of the Company or a business with a specified relationship with the Company, or the like.
5. Mr. Shin Kato is currently External Director of the Company, and at the close of this General Meeting of Shareholders, he will have served two years as External Auditor of the Company.
6. The Company has concluded agreements with Mr. Youji Miyamoto, Mr. Shin Kato pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit the amount of their liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act. Pursuant to these agreements, the amount of liability to damages shall be the minimum amount provided for by the laws and regulations. The Company will continue the said agreement if their election as External Directors is approved.
The Company will also conclude an agreement having similar contents with Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto if their election as External Directors is approved.
7. The Company has notified the TSE, that Mr. Shin Kato is an independent officer in accordance with its Securities Listing Regulations. After their election is approved, they will continue to be notified as independent officers. In addition, if the election of Mr. Yuzo Kawamori and Mr. Naoki Matsumoto is approved, the Company intends to make the same notification to the TSE.

Proposal No. 4: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

In preparation for cases where the number of Directors who are Audit and Supervisory Committee Members provided for in laws and regulations might fall short of the necessary number, we request the election of one (1) substitute Director who is an Audit and Supervisory Committee Member. The validity of the election on this proposal can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office. The Audit and Supervisory Committee has given its consent to the submission of this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Candidate for External Director</div> Michiya Iwasaki (November 10, 1971) Number of Company Shares Owned: 0 common shares	April 1999 April 2005 November 2007 December 2012 November 2018	Registered as Lawyer, Kamo Law Office Attended at the Financial Services Agency (Public officer with Fixed-term of office) Atsumi & Sakai Kusunoki & Iwasaki Kusunoki, Iwasaki & Sawano (To present)
Reasons for nomination as candidate for substitute External Director who is an Audit and Supervisory Committee Member Mr. Michiya Iwasaki has not been involved in the corporate management other than by being an external director or an external auditor. However, he is familiar with corporate law in his capacity as an attorney at law and has deep insight. For this reason, we have asked him to act as a substitute External Director who is an Audit and Supervisory Committee Member. We again propose his election as a substitute External Director who is an Audit and Supervisory Committee Member.		

Notes:

1. Mr. Michiya Iwasaki is a candidate for substitute External Director who is an Audit and Supervisory Committee Member.
2. There are no special interests between Mr. Michiya Iwasaki and the Company.
3. Mr. Michiya Iwasaki is not planning to receive a large amount of money and other assets from the Company or a business with a specified relationship with the Company, nor has he received these in the past two years.
4. Mr. Michiya Iwasaki is not a spouse or relative within the third degree of consanguinity or of similar status of an executive or officer of the Company or a business with a specified relationship with the Company, or the like.
5. If Mr. Michiya Iwasaki assumes the office as Director who is an Audit and Supervisory Committee Member, the Company intends to conclude an agreement with him pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit the amount of his liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act. Pursuant to the agreement, the amount of liability to damages shall be the minimum amount provided for by the laws and regulations.
6. If Mr. Michiya Iwasaki assumes the office as Director who is an Audit and Supervisory Committee Member, the Company intends to notify the TSE, that he is an independent officer in accordance with its Securities Listing Regulations.