



To whom it may concern

May 23, 2017

Company name: Nissan Chemical Industries, Ltd.

Representative: Kojiro Kinoshita, President

(Code number: 4021, The first section of the TSE)

Notice of Non-Renewal of Policy on Reaction to Large-Scale Purchases of Shares of the Company (Takeover Defenses)

Nissan Chemical Industries, Ltd. announces that a meeting of the Board of Directors held today resolved not to renew its policy for responding to large-scale purchases of shares of the Company (takeover defenses; hereinafter “the Plan”) at the conclusion of the 147th Ordinary General Meeting of Shareholders (hereinafter “the Ordinary Shareholders Meeting”).

Renewal of the Plan was approved at the 144th Ordinary General Meeting of Shareholders held on June 26, 2014 and the Company subsequently renewed the Plan. The Plan is effective until the conclusion of the Ordinary Shareholders Meeting to be held on June 28, 2017.

The Company believes that those who control decisions on the Company’s financial and business policies need to fully understand the source of the Company’s corporate philosophy and corporate value and seriously seek to maintain and increase the Company’s corporate value, or the shareholders’ common interests, over the medium to long term. Based on this belief, the Company introduced takeover defenses with the approval of shareholders at the 138th Ordinary General Meeting of Shareholders held on June 27, 2008. Subsequent shareholders meetings have twice approved the renewal of the takeover defenses.

As the expiration of the Plan approached, the Company carefully considered the renewal of the Plan, taking changes in the external environment into consideration, including the development of the legal system related to financial instruments.

As a result, the Company determined that the business environment has changed since the Plan was last renewed and that the need for the renewal of the Plan has diminished.

After the termination of the Plan, the Company will take appropriate steps in reaction to attempts to make large-scale purchases of shares of the Company within the range permitted by the Financial Instruments and Exchange Act, the Companies Act, and other applicable

laws and regulations, including requesting the provision of necessary and sufficient information, disclosing opinions of the Company's Board of Directors, and seeking to secure time for the shareholders to make appropriate judgments about the advantages and disadvantages of large-scale purchases.

Contact information for inquiries on the above
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