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Securities Code: 4021  
June 3, 2016

## To Those Shareholders with Voting Rights

Kojiro Kinoshita  
Representative Director,  
President & CEO  
Nissan Chemical Industries, Ltd.  
7-1, Kanda Nishiki-cho 3-chome,  
Chiyoda-ku, Tokyo, JAPAN

### NOTICE OF THE CONVOCATION OF THE 146<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 146<sup>th</sup> Ordinary General Meeting of Shareholders of Nissan Chemical Industries, Ltd. (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the following means. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights.

#### Exercise of Voting Rights in Writing

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it to the Company, ensuring that the form reaches us by 5:40 p.m., Monday, June 27, 2016.

#### Exercise of Voting Rights via the Internet, etc.

Please access the website for exercising voting rights as indicated in the enclosed Voting Rights Exercise Form and exercise your voting rights by 5:40 p.m., Monday, June 27, 2016 (please refer to page 2 hereof).

1. **Date and Time:** Tuesday, June 28, 2016 at 10:00 a.m. (Reception starts at 9:15 a.m.)
2. **Place:** Josui Kaikan, 2F, Star Hall  
1-1, Hitotsubashi 2-chome, Chiyoda-ku, Tokyo, Japan
3. **Agenda of the Meeting:**  
**Matters to be reported:**
  1. The Business Report and the Consolidated Financial Statements for the 146<sup>th</sup> fiscal year (from April 1, 2015 to March 31, 2016) and results of audits by the Accounting Auditors and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. The Non-Consolidated Financial Statements for the 146<sup>th</sup> fiscal year (from April 1, 2015 to March 31, 2016)

#### Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Nine (9) Directors
- Proposal No. 3:** Election of One (1) Corporate Auditor

- \* For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.
- \* Included in the documents that should be provided by the Company when providing the notice of convocation for this Ordinary General Meeting of Shareholders are the notes to consolidated financial statements and the notes to non-consolidated financial statements. As provided for by the relevant laws and regulations and Article 19 of the Company's Articles of Incorporation, these documents are posted on the Company's website (<http://www.nissanchem.co.jp/>) and are not included in the accompanying material to this document. In addition to the accompanying material to the notice of convocation for this Ordinary General Meeting of Shareholders, the materials audited by the Audit & Supervisory Board and the Accounting Auditors include the notes to consolidated financial statements and the notes to non-consolidated financial statements will be posted on the Company's website indicated above.
- \* When it is necessary to modify the matters stated in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements, please understand that any matters if modified will be shown on the Company's website (<http://www.nissanchem.co.jp/>).
- \* The Company participates in the Electronic Voting Rights Exercise Platform for "institutional investors" operated by ICJ Inc.

**The Company's website (<http://www.nissanchem.co.jp/>)**

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

The Company upholds the basic policy of working to improve corporate value from a medium-to-long term viewpoint and providing return of its profits to the shareholders.

After taking into consideration such factors as operating performance, business environment and preparation for future business development, the Company proposes the year-end dividend for the current fiscal year as follows.

(1) Type of dividend property

Cash

(2) Matters related to distribution of dividend property and the total amount

The Company proposes to pay ¥26 per common share of the Company

Under this proposal, the total amount of dividends paid is ¥4,013,864,738.

As the Company paid an interim dividend of ¥18, the annual dividend for the current fiscal year is ¥44 per share.

(3) Effective date of the distribution of surplus

June 29, 2016

## Proposal No. 2: Election of Nine (9) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, we would like to increase one (1) Director to further strengthen the management structure, and the election of nine (9) Directors, including two (2) Outside Directors, is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
	Kojiro Kinoshita (April 19, 1948)	Apr. 1977    Joined the Company Jun. 2002    Director, General Manager of Corporate Planning Department Jun. 2006    Managing Director Jun. 2008    Representative Director, President & CEO (to the present)	88,000
1	Reason for the nomination of the candidate for Director Mr. Kojiro Kinoshita served as General Manager of Business Strategy Department, Chemicals General Headquarters and also as General Manager of Corporate Planning Department. In addition, as Representative Director and President & CEO of the Company since June 2008, he has been promoting strategies to enhance the corporate value of the Company Group. Considering his wide-ranging experience, achievement, and insights, the Company judges Mr. Kinoshita remains qualified for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.		

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
2	Junichi Miyazaki (October 9, 1951)	<p>Apr. 1974    Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Jun. 2000    General Manager, International Department of The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Jun. 2003    Corporate Auditor of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>Apr. 2005    Managing Executive Officer of Kowa Real Estate Co., Ltd.</p> <p>Jul. 2005    Managing Director of Kowa Real Estate Co., Ltd.</p> <p>Apr. 2006    Joined the Company, Advisor</p> <p>Jun. 2006    Director</p> <p>Apr. 2007    Director, General Manager of Corporate Administration Department</p> <p>Jun. 2008    Managing Director</p> <p>Jun. 2011    Senior Managing Director</p> <p>Apr. 2013    Director, Senior Executive Vice President (to the present)</p> <p>(Current positions in charge) Head of the corporate administration section of the Company, Internal Audit Department, Finance &amp; Accounting Department, Environment, Safety &amp; Quality Assurance Department, and CRO</p>	28,400
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Junichi Miyazaki has strived to improve financial structure of the Company and contributed to the Company Group's growth from a variety of perspectives as Head of the corporate administration section of the Company since his assumption of office as Director in June 2006, utilizing his wide-ranging knowledge cultivated through his experience in financial institution. Considering his wide-ranging experience, achievement, and insights, the Company judges Mr. Miyazaki remains qualified for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
3	Kiminori Hirata (August 22, 1951)	<p>Apr. 1975    Joined the Company</p> <p>Jun. 2001    Head of Biological Research Laboratories</p> <p>Jun. 2006    Director, Deputy General Manager of Agricultural Chemicals Division</p> <p>Jun. 2009    Managing Director</p> <p>Apr. 2013    Senior Managing Director</p> <p>Apr. 2014    Director, Senior Managing Executive Officer (to the present)</p> <p>(Current positions in charge)  Head of R&amp;D (Agrochemicals &amp; Pharmaceuticals),  Pharmaceuticals Division,  Research Planning Department,  Intellectual Property Department,  Purchasing Department, and  Head of Agricultural Division  (Significant positions concurrently held)  President of Nissan Chemical Europe S.A.R.L.,  Representative Director of Nissan Chemical Agro Korea Ltd., and  Representative Director of Nissan Chemical Product (Shanghai) Co., Ltd.</p>	24,800
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Kiminori Hirata has been engaged in research of agricultural chemicals for many years, and contributed to business expansion in the life science field, in charge of Agricultural and Pharmaceuticals Divisions since his assumption of office for Director in June 2006. Considering his wide-ranging experience, achievement, and knowledge, the Company judges Mr. Hirata remains qualified for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			
4	Hiroyoshi Fukuro (April 18, 1952)	<p>Apr. 1979    Joined the Company</p> <p>Jun. 2004    Director, Head of Electronic Materials Research Laboratories</p> <p>Jun. 2011    Managing Director</p> <p>Apr. 2013    Senior Managing Director</p> <p>Apr. 2014    Director, Senior Managing Executive Officer (to the present)</p> <p>(Current positions in charge)  Head of R&amp;D (Materials Science),  Advanced Materials &amp; Planning Department, and  Head of Performance Materials Division  (Significant position concurrently held)  Representative Director of NCK Co., Ltd.</p>	22,200
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Hiroyoshi Fukuro has been engaged in research of electronic materials for many years, and contributed to business expansion in the performance materials field, as Head of Performance Materials Division as well as in charge of R&amp;D of material science since his assumption of office as Director in June 2004. Considering his wealth of experience, achievement, and knowledge, the Company judges Mr. Fukuro remains qualified for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
5	Tsuneo Higuchi (July 26, 1952)	Apr. 1978    Joined the Company Sep. 2002    General Manager of Specialty Products Department, Industrial Chemicals Division, Chemicals General Headquarters Jun. 2008    General Manager of Industrial Chemicals Division, Chemicals General Headquarters Jun. 2009    Director, General Manager of Basic Chemicals Division, Chemicals General Headquarters Jun. 2011    Managing Director Apr. 2014    Director, Managing Executive Officer (to the present) (Current position in charge) Head of Personnel Department, and Chemicals Division	21,300
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Tsuneo Higuchi has been engaged in Chemicals Division for many years, and contributed to business expansion of the Company Group, as Head of Chemicals Division as well as in charge of Personnel Department since his assumption of office as Director in June 2009. Considering his wide-ranging experience, achievement, and insights, the Company judges Mr. Higuchi remains qualified for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			
6	Masataka Hatanaka (February 27, 1954)	Apr. 1978    Joined the Company Jun. 2000    General Manager of Agrichemicals Research Division, Central Laboratories Jun. 2009    Plant Manager of Saitama Plant Jun. 2010    Associate Executive Officer, Plant Manager of Saitama Plant Jun. 2012    Associate Executive Officer, Plant Manager of Onoda Plant Apr. 2014    Executive Officer, Plant Manager of Onoda Plant Apr. 2016    Managing Executive Officer, Head of Production Technology Department (to the present) (Significant position concurrently held) President of Nissan Engineering, Ltd.	15,600
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Masataka Hatanaka has been engaged in R&amp;D of the life science field and in the production technology field for many years, undertaken tasks of safe and reliable operations as Plant Manager of Saitama and Onoda Plants. Since April 2016, he has been controlling production technology in general as Head of Production Technology Department. The Company judges Mr. Hatanaka possesses sufficient knowledge for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
7	Katsuaki Miyaji (January 27, 1961)	Apr. 1985    Joined the Company Jun. 2010    Director, Head of Chemical Research Laboratories Jun. 2011    Director, Advanced Materials & Planning Department Apr. 2014    Director, Executive Officer, Head of Electronic Materials Research Laboratories Jun. 2014    Executive Officer, Head of Electronic Materials Research Laboratories Oct. 2014    Executive Officer, Head of Materials Research Laboratories Apr. 2016    Managing Executive Officer, General Manager of Corporate Planning Department (to the present) (Significant position concurrently held) President of Nissan Chemical America Corporation	9,200
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Katsuaki Miyaji has been engaged in researches for many years, undertaken tasks on materials research as well as creation of new products, our driving force for the Company Group's growth. Since April 2016, he has been focusing on understanding the status of business operations in each division and achieving goals across the entire Company Group as General Manager of Corporate Planning Department. The Company judges Mr. Miyaji possesses sufficient knowledge for Director to perform decision-making on business operations and overseeing the execution of duties by Directors, and nominated him as a candidate for Director.</p>			
8	Tisato Kajiyama (May 13, 1940)  <u>Outside Director</u>  <u>Independent Officer</u>	Jun. 1969    Post Doctor Course, The University of Massachusetts Amherst, USA Nov. 1984    Professor of Faculty of Engineering at Kyushu University (currently National University Corporation Kyushu University) Nov. 2001    President of Kyushu University Nov. 2008    President of Independent Administrative Institution Japan Student Services Organization Jun. 2010    Outside Corporate Auditor, the Company Apr. 2011    Chairman, Board of Trustees and President of Public University Corporation Fukuoka Women's University (to the present) Jun. 2014    Outside Director, the Company (to the present) (Significant position concurrently held) Chairman, Board of Trustees and President of Public University Corporation Fukuoka Women's University	10,800
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. Tisato Kajiyama currently serves as Outside Director of the Company, and the Company proposes his reelection so that his expertise as a Doctor of Engineering and his wide-ranging knowledge and experience gained as the President of Kyushu University, President of Japan Student Services Organization, and President of Fukuoka Women's University will continue to be reflected in the management of the Company from an outside perspective and objective and neutral position. Although Mr. Kajiyama has no experience of involvement in corporate management other than having served in the past as Outside Officer, the Company judges Mr. Kajiyama will continue to appropriately perform his duties as Outside Director.</p>			

No.	Name (Date of birth)	Career summary, position/responsibilities in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
9	<p data-bbox="236 465 419 533">Tadashi Ohe (May 20, 1944)</p> <p data-bbox="252 566 419 600">Outside Director</p> <p data-bbox="236 633 435 667">Independent Officer</p>	<p data-bbox="475 293 1142 327">Apr. 1969 Qualified for attorney-at-law (to the present)</p> <p data-bbox="475 331 1262 398">Apr. 1989 Instructor for the Legal Training and Research Institute of Japan (court representation in civil proceedings)</p> <p data-bbox="475 405 1182 472">Mar. 1994 Outside Corporate Auditor of Canon Inc. (to the present)</p> <p data-bbox="475 479 1230 546">Jun. 2004 Outside Corporate Auditor of Marui Group Co., Ltd. (to the present)</p> <p data-bbox="475 553 1166 586">Jun. 2006 Outside Corporate Auditor of Kao Corporation</p> <p data-bbox="475 593 1190 627">Jun. 2011 Outside Director, JECO Co., Ltd. (to the present)</p> <p data-bbox="475 633 1166 667">Jun. 2015 Outside Director, the Company (to the present)</p> <p data-bbox="475 674 935 707">(Significant positions concurrently held)</p> <p data-bbox="475 714 1126 848">Attorney-at-law, Outside Corporate Auditor of Canon Inc., Outside Corporate Auditor of Marui Group Co., Ltd., and Outside Director of JECO Co., Ltd.</p>	3,000
<p data-bbox="217 860 847 893">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 898 1445 1086">Mr. Tadashi Ohe currently serves as Outside Director of the Company, and the Company proposes his reelection so that his abundant experience and specialist knowledge as an attorney-at-law will continue to be reflected in the management of the Company from an outside perspective and objective and neutral position. Up until present, Mr. Ohe has the experience of involvement in the corporate management of multiple companies as Outside Officer, and the Company judges Mr. Ohe will continue to appropriately perform his duties as Outside Director.</p>			

- Notes:
1. Mr. Hiroyoshi Fukuro serves as the Representative Director of NCK Co., Ltd. The Company has a trading relationship with NCK Co., Ltd. that includes the sale of products. No conflicts of interest exist between any of the other candidates and the Company.
  2. Messrs. Tisato Kajiyama and Tadashi Ohe are candidates for Outside Director.
  3. Mr. Tisato Kajiyama's terms of office as Outside Corporate Auditor of the Company aggregated to four years and terms of office as Outside Director of the Company will aggregate to two years as of the conclusion of this Ordinary General Meeting of Shareholders. Mr. Tadashi Ohe's terms of office as Outside Director of the Company will aggregate to one year as of the conclusion of this Ordinary General Meeting of Shareholders.
  4. The Company entered into agreements with Messrs. Tisato Kajiyama and Tadashi Ohe respectively that limits their liability when they perform their duties concerning the responsibilities under Paragraph 1, Article 423 of the Companies Act in good faith with no serious negligence to the minimum liability provided for by the relevant laws and regulations. If their reelection is approved, the Company plans to continue the same limited liability agreement with them.
  5. The Company has notified the Tokyo Stock Exchange of status of Messrs. Tisato Kajiyama and Tadashi Ohe as independent officers. If their reelection is approved, the Company plans to notify the stock exchange of status of Messrs. Kajiyama and Ohe as independent officers again.

### Proposal No. 3: Election of One (1) Corporate Auditor

The term of office of Corporate Auditor, Mr. Katsumi Akita will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, election of one (1) Corporate Auditor is proposed.

The Audit & Supervisory Board has already given its approval to this proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Career summary, position in the Company and significant positions concurrently held outside the Company	Number of the Company's shares held
Norihiro Suzuki (June 4, 1960)  <u>Outside Corporate Auditor</u>	Apr. 1983    Joined The Norinchukin Bank Feb. 2003    General Manager of Naha Branch Jul. 2008    General Manager of Cooperative Finance & Administration (Kanto Area) Div. Jun. 2010    Seconded to Eiraku Co., Ltd. as President (currently Norinchukin Facilities Co., Ltd.) Jun. 2012    Managing Director of The Norinchukin Bank (to the present) Jun. 2014    Director of Nochu Business Support Co., Ltd., and Director of Nochu Information System Co., Ltd. (to the present)	0
Reason for the nomination of the candidate for Corporate Auditor Mr. Norihiro Suzuki possesses abundant experience and extensive knowledge including advanced expertise in finance developed through his long-time career in a financial institution. The Company judges Mr. Suzuki can appropriately perform his duties as Outside Corporate Auditor by reflecting such experience and knowledge in the Company's audits from an outside perspective and objective and neutral position.		

- Notes: 1. No special conflicts of interest exist between the Corporate Auditor candidate Mr. Norihiro Suzuki and the Company.
2. Mr. Norihiro Suzuki is a new candidate for Outside Corporate Auditor.
3. Mr. Norihiro Suzuki worked for The Norinchukin Bank, a lender of the Company. The average amount of the Company's consolidated total borrowings from the said bank over the past three fiscal years is 2.1% of the Company's consolidated total assets. Therefore, the bank is deemed as a major financial institution that is a financial institution from which the average amount of the Company's consolidated total borrowings over the past three fiscal years exceeds 2% of the Company's consolidated total assets, as provided in the Company's independence standards for Outside Officers.

#### (Reference) The Company's stance towards independency for Outside Directors and Outside Corporate Auditors

The Company's independence standards for Outside Officers are as follows.

The Company's Independent Outside Officers (Directors and Corporate Auditors) and Independent Outside Officer candidates fulfill the Companies Act's requirements for Outside Officers, as well as the following independence standards.

- (1) Not being an executive (a person who executes business; hereinafter, the same) of the Company or its subsidiaries, nor having been an executive of the Company or its subsidiaries for the past 10 years (if however, a non-executive director, accounting advisor, or corporate auditor of the Company or its subsidiaries at some point in the past 10 years, the 10 years prior to being appointed to that role)
- (2) Not being one of the Company's major shareholders (a shareholder with 10% or more of voting rights) or an executive thereof
- (3) Not being an executive of a corporation of which the Company is a major shareholder (a shareholder with 10% or more of voting rights)
- (4) Not being a major client or supplier (a client or supplier from whom the value of average payments for transactions to the Company or its subsidiaries over the past three fiscal years exceeds 2% of consolidated net sales of the Company) of the Company or its subsidiaries or an executive thereof
- (5) Not being a party whose major client or supplier is the Company or its subsidiaries (a party to whom the value

of average payments for transactions by the Company or its subsidiaries over the past three fiscal years exceeds 2% of consolidated net sales of that party), or an executive thereof

- (6) Not being an executive of a major financial institution with which the Company has borrowings (a financial institution from whom the average amount of the Company's consolidated total borrowings over the past three fiscal years exceeds 2% of the Company's consolidated total assets) nor having been an executive thereof for the past three years
- (7) Not being an attorney, certified public accountant, certified public tax accountant, other consultant, researcher or educator in receipt from the Company of a large amount of monetary consideration or other property (an average annual amount over the past three fiscal years of ¥10 million for individuals or, in the event the party is affiliated with a corporation or other organization, an amount in excess of 2% of that organization's total revenues) other than Director or Corporate Auditor remuneration
- (8) Not being a close relative (spouse, person within the second degree of kinship or relative living together) of an executive (limited to key personnel) of the Company or its subsidiaries
- (9) In addition to items (1) through (8) above, not being a person whose independence as Independent Outside Officer is in question by the Board of Directors and for whom there is a rationally determined risk of a conflict of interest with the general shareholders.