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Stock Exchange Code 5393
June 5, 2017

To Shareholders with Voting Rights:

Toshiyuki Takei
President and Chief Executive Officer
NICHIAS Corporation
6-1, Hatchobori 1-chome, Chuo-ku,
Tokyo, Japan

**NOTICE OF
THE 201ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 201st Annual General Meeting of Shareholders of NICHIAS Corporation (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing, or via electromagnetic means (the Internet, etc.). Please review the hereinafter attached “Reference Documents for the General Meeting of Shareholders,” and exercise your Voting Rights by 5:30 p.m. on Wednesday, June 28, 2017, Japan time.

1. Date and Time: Thursday, June 29, 2017 at 10:00 a.m. Japan time

2. Place: Banquet room “Ariake” on the second floor of The Royal Park Hotel located at 1-1, Kakigara-cho 2-chome, Nihonbashi, Chuo-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 201st Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 201st Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of 10 Directors

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

- If you exercise your voting rights by proxy, you may delegate your voting rights to a proxy who is a shareholder with voting rights of the Company. In such a case, a document needs to be submitted to prove such appointment of proxy.
- Of the documents to be provided together with the convocation notice of this Annual General Meeting of Shareholders, “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website (<http://www.nichias.co.jp/>) in accordance with the laws and regulations as well as the Articles of Incorporation of the Company. Therefore, they are not included in the documents attached to the convocation notice of this Annual General Meeting of Shareholders. The documents attached to the convocation notice of this Annual General Meeting of Shareholders and the documents posted on the above website have been audited by Audit & Supervisory Board Members in preparing audit reports, and by Accounting Auditor in preparing accounting audit report.
- Should the Reference Documents for the General Meeting of Shareholders, as well as the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<http://www.nichias.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

In addition to strengthening the management base in order to enhance earnings power, the basic policy of the Company Group (the “Group”) with respect to the distribution of profits is to strive for the long-term and appropriate return of profits to shareholders by expanding the level of such profits available as dividends and increasing shareholder value, while retaining sufficient reserves for reinvestment.

Based on this policy and in consideration of business results for the fiscal year under review and future business expansion, etc., the year-end dividends for the fiscal year under review is proposed as following.

- (1) Type of dividend property
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof
14 yen per share of common stock of the Company, for a total amount of 1,898,518,692 yen
The annual dividends for the fiscal year under review will be 26 yen per share including the interim dividends of 12 yen per share already paid.
- (3) Effective date of distribution of surplus
June 30, 2017

Proposal 2: Election of 10 Directors

The terms of office of all 10 Directors elected at the Annual General Meeting of Shareholders last year will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 10 Directors is proposed.

The candidates are as follows. The matters concerning each candidate for Director are as stated in the pages 5 through 11.

No.	Name		Remarks
1	Toshiyuki Takei	Reelection	
2	Masayuki Tomita	Reelection	
3	Satoru Koide	Reelection	
4	Shoichi Yonezawa	Reelection	
5	Kiminori Nakata	Reelection	
6	Junichi Nakasone	Reelection	
7	Yujiro Sato	Reelection	
8	Katsumi Kametsu	Reelection	
9	Youichi Etou	Reelection	Candidate for Outside Director Candidate for Independent Director
10	Yoshito Hirabayashi	Reelection	Candidate for Outside Director Candidate for Independent Director

(Notes) There are no special interests between each candidate and the Company.

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
1	Toshiyuki Takei (October 17, 1957) Reelection Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)	March 1982 June 2007 April 2009 March 2010 April 2010 June 2012 June 2012 April 2014 April 2014 June 2014 Significant concurrent positions: -	Joined the Company Factory General Manager of Fukuroi Factory of the Company General Manager of Technical Department, Technical Division of the Company Division Director of Technical Division of the Company Executive Officer of the Company Director & Executive Officer of the Company Division Director of Building Materials Division of the Company Director & Senior Managing Executive Officer of the Company In charge of Corporate Strategic Planning of the Company President & Chief Executive Officer of the Company (current position)	68,000
	[Reason for nomination as candidate for Director] Mr. Yoshiyuki Takei has primarily engaged in the technological field and has served as Division Director of Technical Division and Division Director of Building Materials Division. After assuming the position of President & Chief Executive Officer of the Company in 2014, he has been exercising strong leadership and steadily accumulated results toward achieving our mid-term management plan announced in 2016, revised upward in May 2017. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company’s management, he will contribute to the continuous improvement of the Company’s corporate value, and requests his continued election as Director.			
2	Masayuki Tomita (November 10, 1949) Reelection Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)	March 1972 April 1991 November 2007 November 2007 June 2009 June 2011 June 2013 June 2014 April 2016 June 2016 Significant concurrent positions: -	Joined the Company Section Manager of Environmental Control Section, Technical Division of the Company Executive Officer of the Company Deputy Division Director of Corporate Administration Division of the Company Division Director of Corporate Administration Division of the Company Director & Executive Officer of the Company Director & Managing Executive Officer of the Company In charge of Internal Control, Internal Audit and Compliance of the Company In charge of Internal Control, Internal Audit, Compliance, Accounting and Quality Assurance of the Company (current position) Representative Director & Senior Managing Executive Officer of the Company (current position)	55,000
	[Reason for nomination as candidate for Director] Mr. Masayuki Tomita has primarily engaged in the environmental field and has served as Division Director of Corporate Administration Division. Additionally, he has overseen a wide range of business fields including internal control, internal audit, compliance, accounting and quality assurance, and thus has high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company’s management, he will contribute to the continuous improvement of the Company’s corporate value, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
3	Satoru Koide (April 20, 1950) Reelection Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)	March 1974	Joined the Company	39,000
		October 1998	General Manager of Tokyo Sales Group, Fluoropolymer Department, Industrial Products Division of the Company	
		October 2001	General Manager of Tokyo Sales Group, Advanced Polymer Products Department, Industrial Products Division of the Company	
		April 2005	Executive Manager of Advanced Polymer Products Department, Industrial Products Division of the Company	
		October 2006	Branch Manager of Nagoya Branch Office, and General Manager of Nagoya Sales Group, Sealing Products Department, Industrial Products Division of the Company	
		October 2007	Branch Manager of Nagoya Branch Office of the Company	
		March 2008	Executive Officer of the Company	
		March 2008	Deputy Division Director of Industrial Products Division and General Manager of Industrial Products Department, Industrial Products Division of the Company	
		March 2010	Division Director of Industrial Products Division of the Company	
		June 2011	Director & Executive Officer of the Company	
		April 2013	In charge of Industrial Products, and Division Director of Energy and Industrial Plants Division of the Company	
		June 2013	Director & Managing Executive Officer of the Company	
		April 2016	In charge of Safety and Health, Environment and CSR (current position)	
		June 2016	Director & Senior Managing Executive Officer of the Company (current position)	
Significant concurrent positions: -				
[Reason for nomination as candidate for Director] Mr. Satoru Koide has primarily engaged in business fields including the industrial products and advanced products fields, and has served as Division Director of Industrial Products Division and Division Director of Energy and Industrial Plants Division. Additionally, he has overseen a wide range of fields such as safety and health, environment and CSR, and thus has high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company’s management, he will contribute to the continuous improvement of the Company’s corporate value, and requests his continued election as Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
4	Shoichi Yonezawa (November 21, 1957) Reelection Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)	February 1989 May 2004 January 2007 November 2007 March 2008 June 2009 March 2010 May 2011 June 2012 June 2012 June 2016 Significant concurrent positions: -	Joined the Company General Manager of Tokyo Sales Group 2, Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company General Manager of Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company General Manager of Inorganic Thermal Insulation Materials Department, Industrial Products Division of the Company General Manager of Advanced Products Department, Industrial Products Division of the Company Executive Officer of the Company Division Director of Advanced Products Division of the Company Division Director of Advanced Products Division and Division Director of Research & Development Division of the Company Director & Executive Officer of the Company Division Director of Research & Development Division of the Company (current position) Director & Managing Executive Officer of the Company (current position)	29,000
		[Reason for nomination as candidate for Director] Mr. Shoichi Yonezawa has primarily engaged in business fields including the industrial products and advanced products fields, and has served as Division Director of Advanced Products Division. Additionally, he has been involved in the research and development field as Division Director of Research & Development Division, and thus has high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.		
5	Kiminori Nakata (May 29, 1959) Reelection Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)	March 1983 June 2007 October 2007 January 2008 June 2010 June 2011 July 2011 April 2013 June 2013 April 2016 June 2016 Significant concurrent positions: -	Joined the Company Deputy General Manager of Personnel Department, Corporate Administration Division of the Company Deputy General Manager of General Affairs Department, Corporate Administration Division of the Company General Manager of General Affairs Department, Corporate Administration Division of the Company President of Nippon Rockwool Corporation Executive Officer of the Company Deputy Division Director of Corporate Administration Division of the Company Division Director of Industrial Products Division of the Company Director & Executive Officer of the Company Division Director of Corporate Administration Division (current position) Director & Managing Executive Officer of the Company (current position)	27,000
		[Reason for nomination as candidate for Director] Mr. Kiminori Nakata has primarily engaged in corporate administration, and has served as President of one of the Company's subsidiaries and Head of Industrial Products Division. Having been involved in corporate administration as Head of Corporate Administration Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.		

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
6	Junichi Nakasone (February 24, 1959)	March 1983 June 2007	Joined the Company Section Manager of Corporate Strategic Planning Section of the Company	38,200
	Reelection	April 2008 August 2009 October 2010 June 2011 June 2013 June 2013	General Manager of Corporate Strategic Planning Department of the Company General Manager of Accounting Department, Corporate Administration Division of the Company President of NICHIAS FGS SDN. BHD. Executive Officer of the Company Director & Executive Officer of the Company (current position) Division Director of Autoparts Division of the Company (current position)	
	Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)	Significant concurrent positions: -		
	[Reason for nomination as candidate for Director] Mr. Junichi Nakasone has primarily engaged in corporate administration, and has served as President of one of the Company's subsidiaries and Head of Autoparts Division. Having been involved in business operations as Head of Corporate Administration Division, he has acquired high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.			
7	Yujiro Sato (May 2, 1956)	March 1980 March 2004 October 2006	Joined the Company President of Tokyo Materials Corporation General Manager of Tokyo Sales Group 2, Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company	15,000
	Reelection	November 2007 March 2008 October 2008 October 2009 March 2010 April 2011 June 2011 June 2012 June 2014	General Manager of Tokyo Sales Group 2, Inorganic Thermal Insulation Materials Department, Industrial Products Division of the Company General Manager of East Japan Sales Group, Advanced Products Department, Industrial Products Division of the Company Executive Manager of Advanced Products Department, Industrial Products Division of the Company Executive Manager of Sales Group, Advanced Products Department, Industrial Products Division of the Company Executive Manager of Sales Group, Advanced Products Division of the Company Deputy Division Director of Advanced Products Division and Executive Manager of Sales Group, Advanced Products Division of the Company Executive Officer of the Company Division Director of Advanced Products Division of the Company (current position) Director & Executive Officer of the Company (current position)	
	Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)	Significant concurrent positions: -		
	[Reason for nomination as candidate for Director] Mr. Yujiro Sato has primarily engaged in business fields including the industrial products and advanced products fields, and served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Advanced Products Division, he has acquired high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
8	Katsumi Kametsu (July 28, 1962) Reelection Attending status to Board of Directors' meetings: 100% (10 meetings out of 10 meetings)	March 1985	Joined the Company	21,000
		April 2007	General Manager of Tokyo Sales Group, Advanced Polymer Products Department, Industrial Products Division of the Company	
		March 2008	General Manager of East Japan Sales Group 3, Industrial Products Department, Industrial Products Division of the Company	
		April 2009	General Manager of International Marketing and Sales Group, Industrial Products Department, Industrial Products Division of the Company	
		March 2010	General Manager of International Marketing and Sales Group, Industrial Products Division of the Company	
		April 2011	Executive Manager of Sales Group, Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company	
		April 2013	Deputy Division Director of Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company	
		June 2013	Executive Officer of the Company	
		March 2014	President of INOCRETE CO., LTD.	
		April 2016	Division Director of Energy and Industrial Plants Division of the Company (current position)	
	June 2016	Director & Executive Officer of the Company (current position)		
Significant concurrent positions: -				
[Reason for nomination as candidate for Director] Mr. Katsumi Kametsu has primarily engaged in business fields including the industrial products and advanced products fields, and served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Energy and Industrial Plants Division, he has acquired high-level insight in management and overall business operations. The Company has judged that by utilizing this extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
9	<p>Youichi Etou (August 11, 1950)</p> <p>Reelection</p> <p>Candidate for Outside Director</p> <p>Candidate for Independent Director</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>April 1978 Registered as lawyer (current position)</p> <p>April 2003 Vice president of Daiichi Tokyo Bar Association</p> <p>April 2005 Vice President of Kanto Federation of Bar Associations</p> <p>July 2006 Outside Auditor of TSUNEISHI SHIPBUILDING Co., Ltd. (current position)</p> <p>April 2010 President of Daiichi Tokyo Bar Association and Vice President of the Japan Federation of Bar Associations</p> <p>June 2011 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2012 Outside Auditor of Japan Display Inc. (current position)</p> <p>June 2014 Executive Board Member of Center for Housing Renovation and Dispute Settlement Support (current position)</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>April 2016 President of Kanto Federation of Bar Associations (current position)</p> <p>Significant concurrent positions:</p> <p>Lawyer</p> <p>Outside Auditor of TSUNEISHI SHIPBUILDING Co., Ltd.</p> <p>Auditor (Part-time) of Japan Display Inc.</p> <p>Executive Board Member of Center for Housing Renovation and Dispute Settlement Support</p> <p>President of Kanto Federation of Bar Associations</p>	0
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Youichi Etou has an extensive insight and broad knowledge as a lawyer, and a wealth of experience in legal community. The Company nominated him for Outside Director with the expectation of supervision on the overall management and valuable advice.</p> <p>Although he has no direct experience in corporate management, he has achieved remarkable track record in corporate legal affairs in which he has been engaged as a lawyer for over the years. Based on his professional career, he has broad insight in corporate management. Therefore, the Company believes that he will execute his duties as Outside Director appropriately.</p>			

(Notes) Mr. Youichi Etou is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) The Company has designated him as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent director.
- (2) He is currently serving as Outside Director of the Company and will have served for a period of two years as of the conclusion of this General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in "(2) Outline of liability limitation agreement" on page 28 of this convocation notice (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
10	<p>Yoshito Hirabayashi (October 22, 1944)</p> <p>Reelection</p> <p>Candidate for Outside Director</p> <p>Candidate for Independent Director</p> <p>Attending status to Board of Directors' meetings: 100 % (4 meetings out of 4 meetings as Outside Audit & Supervisory Board Member) (10 meetings out of 10 meetings as Outside Director)</p>	<p>April 1968 Joined Seiko Epson Corporation</p> <p>April 1987 Director & General Manager of Factory in U.K. of Seiko Epson Corporation</p> <p>November 1993 President and Representative Director of Technofer Ltd.</p> <p>April 1995 Advisor of Japan Electrical Testing Laboratories</p> <p>April 2000 Councilor of Japan Accreditation Board</p> <p>May 2001 ISO/TC176/SC2 Japanese representative expert</p> <p>April 2002 Part-time lecturer, Graduate School of Frontier Sciences, The University of Tokyo</p> <p>April 2002 Member of Japanese Industrial Standards Committee, Ministry of Economy, Trade and Industry</p> <p>April 2004 Member of Japanese Industrial Standards Mark System Committee, Ministry of Economy, Trade and Industry</p> <p>April 2008 Co-researcher of The Department of Chemical System Engineering at the University of Tokyo</p> <p>June 2008 Audit & Supervisory Board Member of the Company</p> <p>April 2013 Chairman & Director of Technofer Ltd. (current position)</p> <p>June 2016 Outside Director of the Company (current position)</p> <p>Significant concurrent positions: Chairman & Director of Technofer Ltd.</p>	0
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yoshito Hirabayashi has a wealth of experience and insight as a corporate manager and professional expertise and broad knowledge of quality management that he accumulated through his work experience as an ISO Japanese representative expert, a lecturer at a university and a member of administrative committees, etc. The Company nominated him for Outside Director with the expectation of supervision on the overall management and valuable advice.</p>		

(Notes) Mr. Yoshito Hirabayashi is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) Subject to the approval of his appointment, he will be designated as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange.
- (2) He is currently serving as Outside Director of the Company and will have served for a period of one year as of the conclusion of this General Meeting of Shareholders.
- (3) Subject to the approval of his appointment, pursuant to the stipulation in the articles of incorporation of the Company, the Company plans to enter into a liability limitation agreement with him. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 28 of this convocation notice (Japanese version only).