

[English summary: for reference only]

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Securities code: 6255

November 9, 2018

Dear shareholders,

Convocation Notice of the 26th Ordinary General Meeting of Shareholders for FY2018

NPC Incorporated, (“the Company”) would like to invite you to the 26th ordinary general meeting of shareholders.

In case you will not be able to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form. Please refer to the Reference Documents for the General Meeting of Shareholders and exercise your voting rights, and indicate your approval or disapproval on the enclosed Voting Rights Exercising Form and send the completed form to the Company to arrive by 5:30 p.m. on Wednesday, November 28, 2018.

1. Date and time: 10:00 a.m., Thursday, November 29, 2018 Japan time
(Registration starts at 9:00 a.m.)
2. Venue: “Hisho-no-ma” conference room, 2nd floor
The Hotel Langwood
5-50-5 Higashi-nippori, Arakawa-ku, Tokyo, Japan
3. Meeting agenda:
Matters to be reported
 - 1) Business reports, consolidated financial statements, and audit report on consolidated financial statements by the accounting auditor and the audit & supervisory board for FY2018 (September 1, 2017 to August 31, 2018)
 - 2) Non-consolidated financial statements for FY2018 (September 1, 2017 to August 31, 2018)
Matters to be resolved
 - 1) Appropriation of Surplus
 - 2) Partial amendments to the Article of Incorporation
 - 3) Election of four (4) board members
 - 4) Election of two (2) audit & supervisory board members

Sincerely yours,

Masafumi Ito
President & CEO
NPC Incorporated
1-7-15 Higashi-ueno, Taito-ku, Tokyo

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Reference Documents for the General Meeting of Shareholders

1) Appropriation of surplus

With regard to the appropriation of surplus, as the Company resulted to have retained earnings brought forward in positive, the Company would like to resume the distribution of the dividend for continuous stable profit allocation.

1. Type of dividend property: Cash
2. Allotment of dividend property and total amount thereof: 2 yen per common share of the Company stock
Total amount: 44,103,982 yen
3. Effective date of dividend of surplus: November 30, 2018

2) Partial amendments to the Article of Incorporation

1. The purpose of the proposal to amend the articles

The Company is considering industrial waste disposal as a new business of the Company. Therefore it intends to add a purpose of the Company (Article 2). Due to this addition to the Incorporation, the item numbers after the amended part shall be moved down respectively.

2. Details of the amendments

(Underlined parts are amended)

Current Articles of Incorporation	Proposed amendments
(Purpose) Article 2. The purposes of the Company are to engage in the following business activities: 1~9. (Omitted) (Newly established)	(Purpose) Article2. The purposes of the Company are to engage in the following business activities: 1~9. (Unchanged) <u>10. Collection, transportation, storage, treatment, disposal and recycling of industrial waste</u>
<u>10~11.</u> (Omitted)	<u>11~12.</u> (Unchanged)

3) Election of four (4) board members

The Company proposes election of four (4) board members as the term of office of all five (5) board members will expire upon the conclusion of this General Meeting of Shareholders, exclusive of one board member who will resign after the termination.

The candidates for board members are as follows:

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No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions outside the Company		Number of shares of the Company owned
1	Masafumi Ito (Oct. 13, 1962)	1986.4	Joined Itoman Corp.	1,905,720 shares
		1992.7	Joined NIHON PORICERO Corp.	
		1992.12	Joined NPC Incorporated (the Company)	
		1993.9	A board member of the Company	
		1996.8	CEO of NPC America Corporation (current title)	
		1996.9	A General Manager of Engineering Dept. in the Company's Photovoltaic Business Division	
		2000.1	CEO of MECT Corp.	
		2002.4	A board member of MECT Corp.	
		2002.6	A board member of NIHON SHINKU SYSTEM Corp.	
		2005.9	The deputy director-general of the Company's Photovoltaic Business Division	
2008.7	Director-general of the Company's Photovoltaic Business Division			
2011.11	CEO of the Company (current title)			
<p>Reasons for nomination:</p> <p>Mr. Masafumi Ito, with his wide range of experience in photovoltaic industry, has served as the CEO of the Company since Nov. 2011. He has started new businesses in order to flexibly deal with the industry in transformation, and has been building up results. Given these achievements, the Company believes him appropriate as a board member.</p>				

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No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions outside the Company		Number of shares of the Company owned
2	Kazuo Hirosawa (Jan. 24, 1962)	1985.4 1992.9 1992.12 1995.9 2006.4 2007.9 2007.11 2008.4 2009.7 2010.9 2012.8 2013.4 2013.11 2014.10 2016.6 2016.9	Joined Itoman Engineering Corp. Joined NIHON PORICERO Corp. Joined NPC Incorporated (the Company) Manager of Engineering Dept. in the Company's Packing Machine Division Division Director of the Company's Packing Machine Division Chief of Administration Headquarters of the Company A board member of the Company General Manager of Accounting Dept. of the Company General Manager of Matsuyama Administration Dept. of the Company Auditor of NPC China Co., Ltd. General Manager of Accounting Dept. of the Company General Manager of General Affairs Dept. of the Company Corporate Information Disclosure Position of the Company (current title) General manager of Sales Administration Dept. of the Company General manager of General Affairs Dept. of the Company Senior managing director of the Company (current title)	194,040 shares
<p>Reasons for nomination:</p> <p>Mr. Kazuo Hirosawa has various experiences in packing industry as well as photovoltaic industry. Also, since Nov. 2007, as a board member, he has been a driving force in improving efficiency mainly in Administration Headquarters. Additionally, since Nov. 2016, he has been supporting CEO as a senior managing director of the Company through companywide supervisions. Given these achievements, the Company believes him appropriate as a board member.</p>				

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No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions outside the Company		Number of shares of the Company owned
3	Toshiyuki Yauchi (Feb. 12, 1972)	1990.4 1992.8 1997.11 2000.1 2005.9 2006.6 2008.7 2010.11 2011.12 2016.9 2017.9	Joined Mazda Motor Corporation Joined Asahi Engineering Co., Ltd Joined Tec’x Corporation Joined MECT Corp. Joined NPC Incorporated (the Company), General Manager of Machinery Manufacturing Department in Photovoltaic Business Division General Manager of Research & Development Department in Photovoltaic Business Division The deputy director-general of the Company’s Photovoltaic Business Division A board member of the Company The Deputy Director-general of the Company’s Photovoltaic Business Division Managing Director of the Company (current title) Director-general of the Company’s Photovoltaic Business Division Head of Business Management Section Division Manager of Machinery Business Division Division Manager of Environmental Business Division Chief of Business Headquarters (current title)	59,620 shares
Reasons for nomination: Mr. Toshiyuki Yauchi, as a board member since Nov. 2010, with his supervision of Matsuyama Factory, has been constructing the systematic organization such as R&D of the products and services to manufacture of such items. Also, since Sept. 2016, he has been supervising the NPC Group (the Company and its subsidiaries) as Managing Director of the Company. Given these achievements, the Company believes him appropriate as a board member.				

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No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions outside the Company	Number of shares of the Company owned
4	Kenji Terada (Oct. 9, 1952)	1975.4 Joined IBM Japan, Ltd. (“IBM Japan”) 2002.10 Senior Manager of manufacturing competency program department at IBM Yamato Facility of IBM Japan 2005.1 Joined Mettler Toledo International Inc. Division Manager of Technical Services Division 2005.10 Joined Komatsulite Mfg. Co., Ltd, a Factory Manager of Shiga No.2 Factory 2007.1 Joined IDEC Corporation (“IDEC”), company executive, production manager 2010.4 General Manager of special mission for Marketing Division (IDEC) 2012.4 General Manager of Marketing Division in charge of market development project in Brazil (IDEC) 2012.10 Retired IDEC 2014.11 Outside Director of the Company (current title)	-
Reasons for nomination: Mr. Kenji Terada, with his wide range of knowledge and experiences in major foreign manufacturers and leading electrical machinery manufacturers, has been supervising the management of the Company from position of an independent officer. Given these achievements, the Company believes him appropriate as an outside director.			

Notes:

- 1) There is no conflict of interests between each candidate and the Company.
- 2) Mr. Kenji Terada is a candidate of an outside director. He has not been involved with management of a company except as an outside director. However, as mentioned in the reasons for nomination above, the Company believes him appropriate to fulfill his duty as an outside director.
- 3) The Company has appointed Mr. Kenji Terada as an independent officer with the criteria established by the Tokyo Stock Exchange, Inc. (“TSE”) and has notified so to the TSE.
- 4) Mr. Kenji Terada is currently the Company’s outside director. His term in office as an outside director is four (4) years upon the conclusion of this general meeting of shareholders for FY2018.
- 5) Mr. Kenji Terada and the Company have concluded a liability limitation contract in accordance with the Article 427, Paragraph 1 of the Company Act to limit the liability for damages to the Company as provided in Article 423, Paragraph 1 of the Company Act. If Mr. Terada is reappointed as an outside director of the Company at the general meeting of the shareholders, the Company will continue aforementioned contract.

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4) Election of two (2) audit & supervisory board members

The Company proposes election of two (2) audit & supervisory board members as the term of office of both two (2) outside audit & supervisory board members, Mr. Teruaki Kakimoto and Mr. Hiroyuki Shinbo, will expire upon the conclusion of this General Meeting of Shareholders. The consent of the audit & supervisory board has been given for this proposal.

The candidates for audit & supervisory board members are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions outside the Company		Number of shares of the Company owned
1	Teruaki Kakimoto (Dec. 21, 1962)	1985.4	Joined Mitsui & Co., Ltd.	-
		1995.4	Registration of attorneys	
		1998.1	Establishment of Kakimoto Law Office (current title)	
		2001.9	A board member of Hob Corp. (current title)	
		2006.11	An Outside Audit & Supervisory Board member of the Company (current title)	
Reasons for nomination: Mr. Teruaki Kakimoto, with his expert knowledge as an attorney, has been monitoring and supervising the Company as an outside audit & supervisory board member since Nov. 2006. Given these achievements, the Company believes him appropriate as an outside audit & supervisory board member.				
2	Hiroyuki Shinbo (April 29, 1959)	1986.9	Joined Shinko Audit Corp.	-
		1992.4	Registration of certified public accountants	
		1995.7	Establishment of Shinbo Hiroyuki certified tax accountant office (current title)	
		2001.12	Established the Chiyoda CPA as a partner	
		2005.2	Registration of certified tax accountants	
		2014.11	An Outside Audit & Supervisory Board Member of the Company	
Reasons for nomination: Mr. Shinbo Hiroyuki, with his expert knowledge as a certified public accountant and certified tax accountant, has been monitoring and supervising the Company as an outside audit & supervisory board member since Nov. 2014. Given these achievements, the Company believes him appropriate as an outside audit & supervisory board member.				

Notes:

- 1) There is no conflict of interests between each candidate and the Company.
- 2) Both Mr. Teruaki Kakimoto and Mr. Hiroyuki Shinbo are the candidates of outside audit & supervisory board members. They have not been involved with management of a company except as an outside director. However, as mentioned in the reasons for nomination above, the Company believes both candidates appropriate to fulfill their duty as outside audit & supervisory board members.
- 3) Mr. Teruaki Kakimoto is currently the Company's outside audit & supervisory board member. His term in office as an outside audit & supervisory board member is twelve (12) years upon the conclusion of this general meeting of shareholders for FY2018.

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- 4) Mr. Hiroyuki Shinbo is currently the Company's outside audit & supervisory board member. His term in office as an outside audit & supervisory board member is four (4) years upon the conclusion of this general meeting of shareholders for FY2018.
- 5) The Company has appointed Mr. Teruaki Kakimoto and Mr. Hiroyuki Shinbo as independent officers with the criteria established by the Tokyo Stock Exchange, Inc. ("TSE") and has notified so to the TSE.
- 6) The Company has each concluded a liability limitation contract with Mr. Teruaki Kakimoto and Mr. Hiroyuki Shinbo in accordance with the Article 427, Paragraph 1 of the Company Act to limit the liability for damages to the Company as provided in Article 423, Paragraph 1 of the Company Act. If the two said candidates are reappointed as outside directors of the Company at the general meeting of the shareholders, the Company will continue aforementioned contract.

Concluded