

This is an English translation of the Japanese original for reference purposes only.  
Some of documents referred herein may be provided in Japanese.

June 5, 2019

Takao Tanaka  
Chairman and Representative Director  
**Mitsui E & S Holdings Co., Ltd.**  
6-4, Tsukiji 5-chome, Chuo-Ku, Tokyo, Japan

To Our Shareholders:

**NOTICE OF THE 116<sup>TH</sup> ORDINARY GENERAL  
MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 116<sup>th</sup> Ordinary General Meeting of Shareholders of Mitsui E & S Holdings Co., Ltd. (the “Meeting”) to be held on Wednesday, June 26, 2019, as described below.

Shareholders not attending the Meeting may vote for or against the agenda item to be resolved either in writing or on the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights according to “INFORMATION ON EXERCISING VOTING RIGHTS” in pp. 4-6.

1. Date and Time: Wednesday, June 26, 2019, at 10:00 A.M.
2. Place: 2<sup>nd</sup> Floor, Hamarikyu-Mitsui Building,  
5-6-4, Tsukiji, Chuo-Ku, Tokyo
3. Objectives
  - (a) Matters to be reported
    - (1) Report of Business Report and Consolidated Financial Statements for the 116<sup>th</sup> Business Term from April 1, 2018 to March 31, 2019 (the “Term”) as well as Accounting Auditor’s Report and Board of Corporate Auditors’ Report on the Consolidated Financial Statements
    - (2) Report of Financial Statements for the Term
  - (b) Matters to be resolved
    - Agenda: Election of ten (10) Directors

Please note:

- Among documents the Company should provide in this Notice, items described below are not included in the attached documents of this Notice because they are provided by the Internet on the Company's website under laws and regulations and Article 16 of the Company's Articles of Incorporation.
  - a) "Subscription Rights to Shares" of the Business Report
  - b) "Consolidated Statements of Changes in Net Assets" and "NOTES TO CONSOLIDATED FINANCIAL STATEMENTS" in the Consolidated Financial Statements.
  - c) "Statements of Changes in Net Assets" and "NOTES TO FINANCIAL STATEMENTS" in the Financial Statements.

These items were included in the Business report, the Consolidated Financial Statements, and the Financial Statements which were audited by the Corporate Auditors preparing the Board of Corporate Auditors' Report, and by the independent auditors preparing the Independent Auditor's Report, respectively.

- In case amendments are made to the Reference Documents, Business Report, Consolidated Financial Statements and Financial Statements of the General Meeting of Shareholders, such amendments will be published by the Internet on the Company's website.

No souvenirs will be provided to the shareholders attending the Meeting which were used to be provided. We would appreciate your understanding.
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The Company's Website : <https://www.mes.co.jp/>

Dear shareholders

I would like to express my gratitude for your continued and exceptional support.

The Company Group has transferred to the holding company structure since FY 2018 (116<sup>th</sup> term) and started as “Mitsui E&S Group.” However, due to large loss in overseas projects, the financial basis of the Company Group is substantially damaged. Under current financial condition, we are not able to provide dividend for the Term-end as last year. We deeply apologize to all of you for that.

We determine we will strengthen financial and profit structure of the Company Group, and reform its business structure by steadily implementing “Mitsui E&S Group Business Revitalization Plan” announced on May 10, 2019. We will work together with all our efforts to increase the corporate value of the Company Group.

We would deeply appreciate your continued support.

June 2019

Takao Tanaka

Chairman, Representative Director, and CEO

<Company Philosophy>

To continue working as a company trusted by the society and people through our products and services. The main business of the Company Group is manufacturing which provides environmentally friendly products and services helpful for the society and people based on excellent technologies. It is our purpose and mission to achieve trust from the society and people by contributing to development of the society through our manufacturing. Without the trust, our continuation would be impossible.

<Management Policy>

Build further satisfaction for our customers

Provide safe and rewarding workplace environment for employees

Contribute to development of the society

Pursue profits for sustainable continuation of the Company

## INFORMATION ON EXERCISING VOTING RIGHTS

Exercise of voting rights in the General Meeting of Shareholders is an important right of our shareholders. You are asked to consider the accompanying Reference Documents for the Meeting and exercise your voting rights.

There are following three methods for exercising your voting rights:

### If you attend the Meeting

#### Present at the Reception Desk

When attending the Meeting, please present the enclosed voting form at the reception desk.

In addition, in order to conserve resources, please bring this Notice.

#### Date and Time of the Meeting

Wednesday, June 26, 2019  
10:00 A.M.

### If you cannot attend the Meeting

#### Submit by Postal Mail

Please indicate your vote for the proposal on the voting form and return it.

#### Exercise Deadline

A form arriving until  
5:00 P.M., Tuesday,  
June 25, 2019 is  
valid.  
(See Instruction (A))

#### Enter on the Internet

Please access the website designated for voting by the Company and enter your vote for the proposal in accordance with the online instruction.

**The website designated for voting**

**<https://www.web54.net>**

**Please refer to the next page for detail.**

#### Exercise Deadline

A vote entered until  
5:00 P.M., Tuesday,  
June 25, 2019, is valid.  
(See Instruction (B))

### **Instruction (A):**

#### **How to fill in the voting form**

**Please fill in your vote for the proposed agenda on the voting form.**

If you are in favor of the agenda item, place a circle mark in **the upper box which describes “Yes.”**

If you are against for the agenda item, place a circle mark in **the lower box which describes “No.”**

**In a case you deny some of candidates (Agenda),** please place a circle mark in the upper box and fill in the number of the candidate you disagree.

\*The “voting code” and the “password”, which are necessary for exercising your voting rights through the Internet, are written at the lower right of the voting form.

\*In case that no indication of yeas or nays is made for the proposal, the Company regard such a proposal as to be voted in favor.

## **Instruction (B)**

### **Information on Exercising Voting Rights on the Internet**

If you exercise your voting right on the Internet, you are asked to access the website designated for voting by the Company by a personal computer or a smart phone and to exercise your voting right in accordance with the online instruction.

A dedicated website for a mobile phone is not established. We would appreciate your understanding.

The website designated for voting by the Company <https://www.web54.net>

**Deadline of exercising voting right: Accepted until 5:00 P.M., Tuesday, June 25, 2019**

#### **1. Access to the website designated for voting**

<http://www.web54.net>

Click **the left button**  
(which means “proceed to  
the next page”).

#### **2. Log in**

Enter the “**voting  
code**” written on your  
voting form and click  
**the left button** (which  
means “log in”).

\*In case it is the first  
time to “log in”, you  
will proceed to the  
page for changing  
password.

#### **3. Enter the password**

Enter the “**password**”  
and click **the button**  
(which means “proceed  
to the next page”).

**In the following pages,  
please enter your vote  
in accordance with  
the online instruction.**

(1) For the votes cast twice or more by the Internet, etc. by the same shareholder, the one received at the latest shall prevail.

(2) For the overlapped votes received both by a voting form and by the Internet, etc. from the same shareholder, the vote received at the latest shall prevail, and for the votes by a voting form and by the Internet received on the same day, the vote on the Internet shall prevail.

<Security of a password and a voting code>

(1) A password is important information by which a voting person is confirmed as a shareholder. Please secure your password confidentiality as same as your bank pin code or seal.

(2) Please note that if an incorrect password is entered more than a specified number of times, you will be unable to access a main screen. In a case you wish to obtain a new password, please follow instructions on a screen.

(3) The password written on your voting form is effective only for this General Meeting of Shareholders.

<Contact Information for inquiries>

In a case operation method regarding exercising voting right through the Internet, etc. is unclear, please contact the Securities support described below.

**Sumitomo Mitsui Trust Bank, Limited**

**Dedicated line for Stock Transfer Agency web support**

Phone: **0120 (652) 031** (Toll free only in Japan)

(open: 9 am - 9 pm, excluding Sat, Sun, and national holidays)

If you have any other inquiries, please contact the following:

(a) For a shareholder holding a securities account at a securities company, please contact your securities company.

(b) For a shareholder not holding a securities account at a securities company (having special account):

Stock Transfer Agency Business Center, Sumitomo Mitsui Trust Bank, Limited

Phone: 0120 (782) 031 (Toll free only in Japan)

(open: 9 am - 5 pm, excluding Sat, Sun, and national holidays)

**Use of the Platform for Electronic Exercise of Voting Rights**

It is also possible for institutional investors to exercise their voting rights by electronic method from the “Platform for Electronic Exercise of Voting Rights” of ICJ Ltd.

## REFERENCE DOCUMENTS FOR GENERAL MEETING OF SHAREHOLDERS

### For Agenda: Election of ten (10) Directors

As the terms of office of all Directors (7 members) are to expire at the conclusion of this Ordinary General Meeting of Shareholders, we propose to increase the number of members by three (3) and elect ten (10) members of the Board of Directors.

The reason for increasing the number of members by three is to add President and Representative Director of the main operating company as Director of the Company concurrently for the purpose of stabilizing and growing the Company Group by the main operating company (four companies) oversees the entire group and manages the business operation in consideration of the best measures to be taken for respective company.

The candidates are as follows:

No.	Name	Current position and area of responsibility in the Company	Classification	Frequency of attendance at the Board of Directors meetings (during the Term)
1	Takao Tanaka	Chairman and Representative Director CEO	Reappointment	16 out of 16 (100%)
2	Ryoichi Oka	President COO, CISO and in charge of Corporate Planning Dept.	New candidate	4 out of 4 (100%) *1
3	Keigo Matsubara	Adviser	New candidate	
4	Shoichi Taguchi	General Manager of Tamano General Office, Human Resources & General Affairs Dept.	New candidate	
5	Tetsuro Koga		New candidate	4 out of 4 (100%) *1
6	Takeyuki Takahashi		New candidate	
7	Shigeru Tokumaru		New candidate	
8	Yuji Kozai		New candidate	12 out of 12 (100%) *2

9	Toru Tokuhisa	Outside Director	Reappointment Outside Independent	16 out of 16 (100%)
10	Toshikazu Tanaka	Outside Director	Reappointment Outside Independent	16 out of 16 (100%)

(Notes)

1. New candidate : a candidate for a new Director
2. Reappointment : a candidate for reappointment as a Director
3. Outside : a candidate for an Outside Director
4. Independent : a candidate for an independent Director

\*1. Resigned Director of the Company due to expiration of his term at the conclusion of the 115<sup>th</sup> Ordinary General Meeting of Shareholders held on June 27, 2018.

\*2. Elected as Director of the Company at 115<sup>th</sup> Ordinary General Meeting of Shareholders held on June 27, 2018 and resigned at March 31, 2019.

1. Takao Tanaka (April 25, 1950 / 8,700 shares) Candidate for reappointment

Term of office as Director : 12 years

Frequency of attendance at the Board of Directors meetings : 16 out of 16 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1973	Entered the Company
June	2005	Associate Executive Officer, Assistant to General Manager of Machinery & Systems Hq.
June	2007	Director, Deputy General Manager of Machinery & Systems Hq. and Research & Development Hq.
June	2009	Managing Director, General Manager of Machinery & Systems Hq.
June	2011	Managing Director, Representative Director, in charge of Corporate Planning Dept. and personnel & general affairs
June	2012	In charge of Corporate Planning Dept.
June	2013	President and Representative Director
April	2015	CEO (to date)
April	2019	Chairman and Representative Director (to date)

[Important concurrent position outside the Company]

Not applicable

[The reason he was selected as a candidate for a Director]

Mr. Takao Tanaka has distinguished knowledge of Machinery business. He served as General Manager of Machinery & Systems Hq., as a person in charge of Corporate Planning Dept. and personnel & general affairs, etc., and acquired outstanding management skills through his experience. In addition to those described above, in order to promote reform of the Company Group which is on the way and to play a leading role in dealing with a concerned issue, we successively selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

2. Ryoichi Oka (October 8, 1958 / 2,500 shares) New candidate

Term of office as Director : 1 years

Frequency of attendance at the Board of Directors meetings : 4 out of 4 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1981	Entered the Company
July	2005	General Manager of Production Planning Dept., Machinery Factory, Machinery & Systems Hq.
March	2006	General Manager of Quality Assurance Dept., Machinery Factory, Machinery & Systems Hq.
January	2011	General Manager of Diesel Design Dept., Machinery Factory, Machinery & Systems Hq.
November	2013	General Manager of Service Center, Technoservice Dept., Machinery & Systems Hq.
April	2014	Associate Executive Officer and General Manager of Technoservice Dept., Machinery & Systems Hq.
April	2015	Executive Officer
April	2016	Deputy General Manager of Machinery & Systems Hq. (in charge of industrial machinery)
April	2017	Managing Executive Officer and General Manager of Machinery & Systems Hq.
July	2017	Director
April	2018	President and Representative Director of Mitsui E&S Machinery Co., Ltd.
June	2018	Resigned Director of the Company
April	2019	President, COO, CISO and in charge of Corporate Planning Dept. (to date)

[Important concurrent position outside the Company]

Not applicable

[The reason he was selected as a candidate for a Director]

Mr. Ryoichi Oka has distinguished knowledge of Machinery business. He served as General Manager of Machinery & Systems Hq., Director of the Company, and President and Representative Director of Mitsui E&S Machinery Co., Ltd., etc., and acquired outstanding management skills through his experience. In addition to those described above, in order to continue to promote reform of the Company Group, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

3. Keigo Matsubara (December 10, 1955 / 2,000 shares) New candidate

[Candidate's career summary, position and area of responsibility in the Company]

April	1979	Entered Mitsui & Co.
April	2007	Manager of Work Process Management Div. 1, Mitsui & Co.
April	2009	General Manager of Finance Division, Mitsui & Co.
April	2011	Manager of Accounting Division, Mitsui & Co.
April	2012	Managing Officer and Deputy CFO of Mitsui & Co.
April	2015	Executive Managing Officer and CFO of Mitsui & Co.
June	2015	Representative Director, Executive Managing Officer and CFO of Mitsui & Co.
April	2017	Representative Director, Senior Executive Managing Officer and CFO of Mitsui & Co.
April	2018	Director, Mitsui & Co.
June	2018	Adviser, Mitsui & Co.
March	2019	Adviser, the Company (to date)

[Important concurrent position outside the Company]

Not applicable

[The reason he was selected as a candidate for a Director]

Mr. Keigo Matsubara has sufficient knowledge of business operation and overall corporate management acquired through his experience as an executive of a general trading company and has outstanding expertise through his experience in financial affairs and accounting for a long period. In addition to those described above, in order to improve finance and profit structure of the Company, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

4. Shoichi Taguchi (April 9, 1958 / 3,100 shares) New candidate

[Candidate's career summary, position and area of responsibility in the Company]

April	1985	Entered the Company
February	2004	General Manager of Manufacturing Dept., Machinery Factory, Machinery & Systems Hq.
March	2006	General Manager of Business Co-ordination Dept., Machinery Factory, Machinery & Systems Hq.
July	2007	Manager of Corporate Planning Dept.
June	2008	Manager of IR Dept.
January	2009	General Manager of Manufacturing Dept., Machinery Factory, Machinery & Systems Hq.
January	2011	General Manager of Business Co-ordination Dept., Machinery Factory, Machinery & Systems Hq.
May	2011	General Manager of Quality Assurance Dept., Machinery Factory, Machinery & Systems Hq.
May	2012	General Manager of Planning & Administration Dept., Machinery & Systems Hq. and Manager of IR Dept.
June	2013	General Manager of Machinery Factory, Machinery & Systems Hq.
April	2014	Associate Executive Officer
April	2015	Executive Officer
April	2016	Managing Executive Officer, General Manager of Tamano Works and Special Mission by President (in charge of manufacturing)
October	2017	General Manager of General Affairs Dept., Tamano Works
March	2018	President and Representative Director of Mitsui E&S Business Service Co., Ltd. (to date)
December	2018	General Manager of Tamano General Office, Human Resources & General Affairs Dept. (to date)

[Important concurrent position outside the Company]

Director of Showa Aircraft Industry Co., Ltd.

[The reason he was selected as a candidate for a Director]

Mr. Shoichi Taguchi has distinguished knowledge of Machinery business. He served as General Manager of Machinery Factory, Machinery & Systems Hq., General Manager of Tamano Works, President and Representative Director of Mitsui E&S Business Service Co., Ltd., and Director of Showa Aircraft Industry Co., Ltd., etc., and acquired outstanding management abilities through his experience. Considering those described above, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

5. Tetsuro Koga (November 16, 1956 / 1,600 shares) New candidate

Term of office as Director : 2 years

Frequency of attendance at the Board of Directors meetings : 4 out of 4 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1981	Entered the Company
June	2009	General Manager of Planning & Co-ordination Dept., Chiba Shipyard, Ship & Ocean Project Hq.
February	2011	General Manager of Ship Construction Dept., Tamano Shipyard, Ship & Ocean Project Hq.
June	2013	General Manager of Planning & Administration Dept., Ship & Ocean Project Hq. and Manager of IR Dept.
April	2014	Associate Executive Officer
December	2014	General Manager of Naval Ship Subdivision, Ship & Ocean Project Hq.
April	2015	Executive Officer and Deputy General Manager of Ship & Ocean Project Hq.
April	2016	Managing Executive Officer and General Manager of Ship & Ocean Project Hq.
June	2016	Director
April	2018	President and Representative Director of Mitsui E&S Shipbuilding Co., Ltd. (to date)
June	2018	Resigned Director of the Company

[Important concurrent position outside the Company]

President and Representative Director of Mitsui E&S Shipbuilding Co., Ltd.

[The reason he was selected as a candidate for a Director]

Mr. Tetsuro Koga has distinguished knowledge of Ship & Ocean business. He served as General Manager of Planning & Administration Dept., Ship & Ocean Project Hq., General Manager of Naval Ship Subdivision, Ship & Ocean Project Hq., General Manager of Ship & Ocean Project Hq., Director of the Company and President and Representative Director of Mitsui E&S Shipbuilding Co., Ltd., etc., and acquired outstanding management abilities through his experience. Considering those described above, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

6. Takeyuki Takahashi (October 9, 1964 / 2,100 shares) New candidate

[Candidate's career summary, position and area of responsibility in the Company]

April	1987	Entered the Company
October	2007	General Manager of Cranes & Systems Sales Dept., Steel Structure & Logistic Systems Hq. and Manager of IR Dept.
June	2012	General Manager of Cranes & Systems Sales Dept., Machinery & Systems Hq.
September	2015	Manager of Corporate Planning Dept.
October	2015	General Manager of Global Strategy Sect., Corporate Planning Dept. and Manager of IR Dept.
October	2016	General Manager of Strategic Planning Sect., Corporate Planning Dept., Corporate Planning Hq.
February	2018	Assistant to General Manger of Machinery & Systems Hq.
December	2018	Executive Officer of Mitsui E&S Machinery Co., Ltd. (to date)
April	2019	President and Representative Director of Mitsui E&S Machinery Co., Ltd. (to date)

[Important concurrent position outside the Company]

President and Representative Director of Mitsui E&S Machinery Co., Ltd.

[The reason he was selected as a candidate for a Director]

Mr. Takeyuki Takahashi has distinguished knowledge of Machinery business, Corporate Planning Dept., and Corporate Planning Hq. He served as General Manager of Strategic Planning Sect., Corporate Planning Dept., Corporate Planning Hq., Assistant to General Manager of Machinery & Systems Hq. and Executive Officer of Mitsui E&S Machinery Co., Ltd., etc., and acquired outstanding management abilities through his experience. Considering those described above, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

7. Shigeru Tokumaru (June 10, 1959 / 1,300 shares) New candidate

[Candidate's career summary, position and area of responsibility in the Company]

April	1982	Entered the Company
July	2003	Manager of Project Management Dept., Plant & Environment Hq.
June	2012	Manager of Project Management Dept., Engineering Hq.
April	2016	Associate Executive Officer and Assistant to General Manager of Engineering Hq. (in charge of projects)
October	2017	Executive Officer, Assistant to General Manager of Engineering Hq.
January	2018	General Manager of Energy Solutions Div., Engineering Hq.
April	2018	Director and Executive Officer of Mitsui E&S Engineering Co., Ltd.
April	2019	President and Representative Director of Mitsui E&S Engineering Co., Ltd. (to date)

[Important concurrent position outside the Company]

President and Representative Director of Mitsui E&S Engineering Co., Ltd.

[The reason he was selected as a candidate for a Director]

Mr. Shigeru Tokumaru has distinguished knowledge of Engineering business. He served as Assistant to General Manager of Engineering Hq., General Manager of Energy Solutions Div., Engineering Hq. and Director of Mitsui E&S Engineering Co., Ltd., etc., and acquired outstanding management abilities through his experience. Considering those described above, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Not applicable

8. Yuji Kozai (February 10, 1960 / 1,800 shares) New candidate

Term of office as Director : 9 months

Frequency of attendance at the Board of Directors meetings : 12 out of 12 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1982	Entered the Company
June	2005	General Manager of Diesel Design Dept., Machinery Factory, Machinery & Systems Hq.
July	2007	General Manager of Production Planning Dept., Machinery Factory, Machinery & Systems Hq.
January	2011	General Manager of Quality Assurance Dept., Machinery Factory, Machinery & Systems Hq.
June	2013	General Manager of Corporate Planning Dept. (to date)
April	2014	Associate Executive Officer
April	2015	Executive Officer
October	2016	Deputy General Manager of Corporate Planning Hq.
June	2018	Director and CISO
March	2019	President and Chief Executive Officer of MODEC, Inc. (to date)
March	2019	Resigned Director of the Company

[Important concurrent position outside the Company]

President and Chief Executive Officer of MODEC, Inc. (to date)

[The reason he was selected as a candidate for a Director]

Mr. Yuji Kozai has distinguished knowledge of Machinery business, Corporate Planning Dept., and Corporate Planning Hq. He served as General Manager of Corporate Planning Dept., Director of Showa Aircraft Industry Co., Ltd., Director of MODEC, Inc., and Director of the Company, etc., and acquired outstanding management abilities through his experience. Considering those described above, we newly selected him as a candidate for a Director.

[Special interest between the candidate and the Company]

Mr. Yuji Kozai is President and Chief Executive Officer of MODEC, Inc. which is a subsidiary of the Company. The Company guarantees a debt related to O&M of FPSO (Floating Production Storage and Offloading) projects of MODEC, Inc. and receives guarantee fee from MODEC, Inc. In addition, the Company borrows money from MODEC, Inc.

9. Toru Tokuhisa (April 3, 1952 / 1,500 shares)

Candidate for reappointment as an independent, Outside Director

Term of office as Outside Director : 6 years

Frequency of attendance at the Board of Directors meetings : 16 out of 16 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1976	Entered the Export-Import Bank of Japan
December	1999	Chief Representative of Representative Office in Washington D.C. of Japan Bank for International Cooperation (JBIC)
October	2002	Deputy Director General of JBIC Institute
July	2004	Director General of Country Economic Analysis Dept., JBIC
October	2005	Resident Executive Director for the Americas
September	2006	Resigned JBIC
October	2006	Executive Vice President and Representative Director, Nusa Tenggara Mining Corp.
June	2013	Outside Director of the Company (to date)
November	2016	Resigned Nusa Tenggara Mining Corp.

[Important concurrent position outside the Company]

Not applicable

[The reason he was selected as a candidate for an Outside Director]

Mr. Toru Tokuhisa has sufficient knowledge and experience of international finance and overseas investment acquired while serving for a governmental financial institution and as an executive of a company for overseas mining business investment for a long period. We expect him to facilitate the Company's business assessment and risk management for overseas business expansion, and to oversee and supervise management of the Company from an independent position. Considering those described above, we successively selected him as a candidate for an Outside Director.

[Special interest between the candidate and the Company]

Not applicable

[Overview of Liability Limitation Agreement with the candidate]

Based on the provision of Article 427, paragraph 1 of the Companies Act, the Company has entered into a Liability Limitation Agreement with Mr. Toru Tokuhisa that limits the amount of his liability as set forth in Article 423, paragraph 1 of the same Act. The limit on liability for damages under the said agreement is ten (10) million yen or the minimum liability amount

provided by laws and regulations, whichever is higher. When this agenda item is approved, the Company intends to continue the agreement it has entered into with him.

[Matters concerning independence]

Mr. Toru Tokuhisa satisfies the conditions of “The Standard of Independence” provided by Tokyo Stock Exchange, and “The Standard of Independence of Outside Directors and Corporate Auditors,” which the Company determines (See the reference 2 below). When this agenda item is approved, the Company intends to continue assigning him as independent Director.

10. Toshikazu Tanaka (February 7, 1945 / 2,000 shares)

Candidate for reappointment as an independent, Outside Director

Term of office as Outside Director : 4 years

Frequency of attendance at the Board of Directors meetings : 16 out of 16 (100%)

[Candidate's career summary, position and area of responsibility in the Company]

April	1968	Entered Toyo Koatsu Industries Co., Ltd. (Mitsui Toatsu Chemicals Inc.)
June	1999	Director and General Manager of Phenols Division, Basic Chemicals Business Sector of Mitsui Chemicals, Inc.
June	2003	Managing Director and Deputy President of Basic Chemicals Business Group of Mitsui Chemicals, Inc.
June	2004	Basic Chemicals Business Group President
June	2005	Vice President and Basic Chemicals Business Group President
April	2007	Responsible for Basic Chemicals Business Sector, Corporate Planning Division, Group Management Division, Branch Offices and Overseas Subsidiaries & Affiliates
June	2009	President and Representative Director of Mitsui Chemicals, Inc.
April	2014	Director of Mitsui Chemicals, Inc.
June	2014	Senior Adviser of Mitsui Chemicals, Inc.
June	2015	Outside Director of the Company (to date)
June	2018	Adviser of Mitsui Chemicals, Inc. (to date)

[Important concurrent position outside the Company]

Adviser of Mitsui Chemicals, Inc.

[The reason he was selected as a candidate for an Outside Director]

Mr. Toshikazu Tanaka has sufficient and overall experience and knowledge of domestic and overseas business operation and corporate management acquired as an executive of a major integrated chemical company for a long period. We expect him to advise the overall management of the Company with a broad perspective and to oversee and supervise management of the Company from an independent position. Considering those described above, we successively selected him as a candidate for an Outside Director.

[Special interest between the candidate and the Company]

Not applicable

[Overview of Liability Limitation Agreement with the candidate]

Based on the provision of Article 427, paragraph 1 of the Companies Act, the Company has entered into a Liability Limitation Agreement with Mr. Toshikazu Tanaka that limits the amount of his liability as set forth in Article 423, paragraph 1 of the same Act. The limit on liability for damages under the said agreement is ten (10) million yen or the minimum liability amount provided by laws and regulations, whichever is higher. When this agenda item is approved, the Company intends to continue the agreement it has entered into with him.

[Matters concerning independence]

Mr. Toshikazu Tanaka satisfies the conditions of “The Standard of Independence” provided by Tokyo Stock Exchange, and “The Standard of Independence of Outside Directors and Corporate Auditors,” which the Company determines (See the reference 2 below). When this agenda item is approved, the Company intends to continue assigning him as independent Director.

There is a business connection about sales and purchase, etc. of parts and material, etc. of plants with Mitsui Chemicals, Inc., where Mr. Toshikazu Tanaka was an executive in the past and now is engaged as an Adviser. However, in the Term, the share of the net sales of the said company from the Company Group is less than 0.1 % of the total consolidated net sales of the said company for the Term. In addition, the share of the net sales of the Company Group from the said company is less than 1.5 % of the total consolidated net sales of the Company for the Term. Therefore, the business connection has no importance as to influence his independence as Outside Director.

**<For reference 1> Policy on Designation of the Company’s Executives, etc.**

When the Company elects candidates for Directors or Corporate Auditors, it establishes an advisory committee on personnel affairs voluntarily, which confirms a standard of election and a proposal for electing Directors. In addition, the committee confirms whether candidates for Corporate Auditors satisfy the conditions provided by the Board of Corporate Auditors. After the confirmation described above, the President will submit a proposal for electing candidates for Directors or Corporate Auditors to the Board of Directors. The committee consists of four members in total: the President as the chairman of the committee, the Vice President, and two independent Outside Directors.

**<For reference 2> Independence of Outside Directors and Outside Corporate Auditors**

The Company will not judge a person to be independent if he/she conflicts with “The Standard of Independence” provided by Tokyo Stock Exchange, or if he/she corresponds to any of the conditions of “The Standard of Independence of Outside Directors and Corporate Auditors” described below, as a general rule.

**The Standard of Independence of Outside Directors and Outside Corporate Auditors (established on October 30, 2015)**

The Company judges whether an Outside Director and an Outside Corporate Auditor is independent by considering the conditions described below as well as considering “The Standard of Independence” provided by Tokyo Stock Exchange.

- a. A person or an entity to whom/which the Company or its consolidated subsidiaries (hereinafter referred to as “the Company Group”) is a main customer (\*1), or a person who executes business in an entity to which the Company Group is a main customer
- b. A main customer of the Company Group (\*2), or a person who executes business in an entity that is a main customer of the Company Group
- c. A large creditor of the Company (\*3), or a person who executes business in a large creditor of the Company
- d. A main shareholder of the Company (\*4), or a person who executes business in a main shareholder of the Company
- e. A person who belongs to an auditor which conducts statutory auditing of the Company Group
- f. A consultant, an accounting specialist, or a legal specialist who received money or other monetary benefits amounting to 10 million yen or more, separate from Officers’ remuneration from the Company

Group during the last fiscal year (if an entity such as a corporation or an association received the monetary benefit described above from the Company Group, a person who belongs to such an entity.)

g. A person or an entity who/which corresponds to any of the conditions of “a” to “f” described above during the last fiscal year

h. A close relative (\*5) of a person (except for a person who does not have importance to the Company Group) who corresponds to any of the conditions of “a” to “g” described above

\*1. A person or an entity to whom/ which the Company Group is a main customer:

A person or an entity whose transaction amount of the last fiscal year with the Company Group is higher than 2 % of his/her/its total consolidated net sales for the last fiscal year

\*2. A main customer of the Company Group:

A person or an entity with whom/which the Company Group transacted business during the last fiscal year with a transaction amount that is higher than 2 % of the total consolidated net sales for the last fiscal year of the Company Group

\*3. A large creditor of the Company:

A financial institution or another creditor which/who is essential and cannot be substituted for fundraising of the Company

\*4. A main shareholder of the Company:

A shareholder which/who holds shares of the Company and whose proportion of voting rights held is 10 % or above

\*5. A close relative:

A spouse or a relative in the second degree