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Securities Code: 4064

June 7, 2019

To our shareholders:

Tokio Matsuo
President and CEO
NIPPON CARBIDE INDUSTRIES CO., INC.
16-2, 2-Chome Konan, Minato-ku, Tokyo, Japan

NOTICE OF THE 120TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 120th Ordinary General Meeting of Shareholders of NIPPON CARBIDE INDUSTRIES CO., INC. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing (by postal mail) or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders, and indicate your approval or disapproval of the proposals no later than 5:40 p.m., Wednesday, June 26, 2019 (JST).

- 1. Date and Time:** Thursday, June 27, 2019 at 10:00 a.m. (JST)
- 2. Venue:** Meeting room, NIPPON CARBIDE INDUSTRIES CO., INC.
22nd floor, Taiyo-Seimei Shinagawa Building,
16-2, 2-Chome Konan, Minato-ku, Tokyo, Japan

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 120th Term (from April 1, 2018 to March 31, 2019), and the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 120th Term (from April 1, 2018 to March 31, 2019)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Three (3) Directors
Proposal 3: Election of One (1) Substitute Corporate Auditor

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Matters related to year-end dividends

The Company aims to be a company that will develop its business in the future and respond to changes in its management environment. At the same time, it considers that the distribution of profits to shareholders is an important responsibility, and its basic policy is to realize long-term and stable dividend payments.

The Company proposes 40 yen per share year-end dividends for this term as follows, which is an increase of 10 yen per share compared to the previous fiscal year, upon taking into account the business results of this term, future business development, retained earnings, and all other matters.

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property to shareholders and total amount thereof
40 yen per common share of the Company
Total amount of dividends: 327,492,840 yen
- (3) Effective date of distribution of dividends of surplus
June 28, 2019

Proposal 2: Election of Three (3) Directors

The term of office of Directors Hiroshi Serizawa and Motoi Kondo will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of three (3) Directors, increasing the number of Directors by one (1) to strengthen the management system.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Hiroshi Serizawa (February 28, 1958)	Apr. 1980 Joined the Company. Apr. 2011 General Manager of Chemicals & Specialty Polymers Division and Leader of Specialty Polymers Business Unit June 2011 Director, General Manager of Chemicals & Specialty Polymers Division and Leader of Specialty Polymers Business Unit Apr. 2012 Director, General Manager of Chemicals & Specialty Polymers Division Apr. 2013 Director, General Manager of Electronic Materials Division, Operational Headquarters of Electronic and Optical Products Apr. 2015 Director, Senior General Manager of Operational Headquarters of Functional Products June 2016 Director and Executive Officer, in charge of Technology, Senior General Manager of Operational Headquarters of Functional Products June 2017 Director and Managing Executive Officer, in charge of Technology, Senior General Manager of Operational Headquarters of Functional Products Apr. 2018 Director and Managing Executive Officer, in charge of Technology, Senior General Manager of Electronic and Functional Products Division June 2018 Representative Director and Managing Executive Officer, Chief Technical Officer, Senior General Manager of Electronic and Functional Products Division Apr. 2019 Representative Director and Senior Managing Executive Officer, Chief Technical Officer, Senior General Manager of Electronic and Functional Products Division (present position)	3,700
[Reasons for his nomination as a candidate for Director] Hiroshi Serizawa has overseen various operations of the Company for many years and he is in charge of the promotion of corporate strategy and technical departments. Given his wealth of experience in corporate management gained through assisting in overall business management as Representative Director and Senior Managing Executive Officer, he is expected to contribute fully as a Director to the Company's significant decision-making processes and supervision of other Directors in their execution of duties. In consideration of these reasons, the Company proposes his election as Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	* Yoshitada Iguchi (December 18, 1958)	<p>Apr. 1982 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Jan. 2001 General Manager of Ikebukuro-Higashiguchi Branch, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Apr. 2004 General Manager of Ebisu Branch, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Jan. 2006 Deputy General Manager of Corporate Banking Division No. 2, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2007 General Manager of Shinbashi Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2009 General Manager of Financial Institution Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2011 Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd.</p> <p>Jan. 2019 Counselor of the Company</p> <p>Apr. 2019 Managing Executive Officer, in charge of Administrative Department, General Manager of Corporate Planning Department (present position)</p>	0
<p>[Reasons for his nomination as a candidate for Director]</p> <p>Yoshitada Iguchi has served as Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd., in addition to overseeing Administrative Department and promoting business strategies as Managing Executive Officer in charge of Administrative Department of the Company. He is expected to draw on such experience and expertise and contribute fully as a Director to the Company's significant decision-making processes and supervision of other Directors in their execution of duties. In consideration of these reasons, the Company proposes his election as Director.</p>			
3	* Naoko Endo (July 23, 1978)	<p>Apr. 2001 Joined The Dai-ichi Mutual Life Insurance Company</p> <p>Mar. 2004 Retired from The Dai-ichi Mutual Life Insurance Company</p> <p>Nov. 2007 Appointed as Judicial Apprentice</p> <p>Dec. 2008 Registered as an attorney at law (present position)</p> <p> Joined Ono Sogo Legal Profession Corporation (Significant concurrent positions outside the Company) Attorney at law (Ono Sogo Legal Profession Corporation)</p>	0
<p>[Reasons for his nomination as a candidate for Outside Director]</p> <p>The Company proposes the election of Naoko Endo as Outside Director because it expects she will utilize her abundant experience and specialist knowledge as an attorney at law in the management of the Company. She has never been directly involved in the management of a company. However, the Company judges she is suitable for an Outside Director based on her experience and knowledge as an attorney at law.</p>			

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Naoko Endo is a candidate for Outside Director. She is a candidate to be appointed as an independent officer as provided for by Tokyo Stock Exchange, Inc.
 3. If the election of Naoko Endo is approved, in accordance with the provisions of Article 427, paragraph 1 of the Companies Act, the Company will conclude with her an agreement to limit her liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of the liability for damages under said agreement will be the minimum amount stipulated by the laws and regulations.
 4. Candidate marked with an asterisk (*) is newly nominated.

Proposal 3: Election of One (1) Substitute Corporate Auditor

Since the election of substitute Corporate Auditor Takashi Hayase, who was elected at the 119th Ordinary General Meeting of Shareholders held on June 28, 2018, will cease to be effective at the commencement of this Ordinary General Meeting of Shareholders, the Company proposes that one (1) substitute Corporate Auditor be elected to prepare for a case where the number of Corporate Auditors falls below the number stipulated by laws and regulations.

The Board of Corporate Auditors has given its consent to this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Takashi Hayase (May 29, 1952)	Apr. 1975 Joined the Company.	9,200
	Apr. 2004 General Manager of Electronic Materials Division	
	June 2004 Director, in charge of President's special missions (sales), General Manager of Electronic Materials Division	
	June 2007 Director, responsible for Manufacturing Technology Department, Quality and Environment Management Department, and Factory Manager of Uozu and Hayatsuki Factory	
	June 2010 Managing Director, responsible for Uozu and Hayatsuki Factory, Manufacturing Technology Department and Purchasing Department, and General Manager of Electronic Materials Division	
	June 2012 Senior Managing Director, in charge of Technology, and General Manager of Electronic Materials Division	
	Apr. 2013 Senior Managing Director, in charge of Technology, Senior General Manager of Operational Headquarters of Electronic and Optical Products, and General Manager of Research and Development Center	
	June 2013 Representative Director and Senior Managing Director, in charge of Technology, Senior General Manager of Operational Headquarters of Electronic and Optical Products, and General Manager of Research and Development Center	
	Apr. 2014 Representative Director and Senior Managing Director, and Overall Business Management (Technology), General Manager of Research and Development Center	
	Apr. 2015 Representative Director and Senior Managing Director, and Overall Business Management (Technology), in charge of Group-wide Safety and Quality Improvement	
	June 2016 Counselor of the Company	
June 2017 Retired as Counselor of the Company		
<p>[Reasons for his nomination as a candidate for substitute Corporate Auditor] Takashi Hayase has overseen the Company's business and technology divisions and has served as Representative Director and Senior Managing Director, acquiring a wealth of experience about the Company's management. The Company proposes his election as substitute Corporate Auditor, as he is expected to utilize his experience and knowledge and apply them in playing the role as Corporate Auditor.</p>		

- Notes:
1. There are no special interests between the candidate and the Company.
 2. If Takashi Hayase assumes the office of Corporate Auditor, in accordance with the provisions of Article 427, paragraph 1 of the Companies Act, the Company will conclude with him an agreement to limit his liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of the liability for damages under said agreement will be the minimum amount stipulated by the laws and regulations.