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Securities Code: 4064

June 8, 2018

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 119TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 119th 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 27, 2018 (JST).

- 1. Date and Time:** Thursday, June 28, 2018 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 119th Term (from April 1, 2017 to March 31, 2018), 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 119th Term (from April 1, 2017 to March 31, 2018)

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 to 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 30 yen per share year-end dividends for this term as follows, upon taking into account the business results of this term, future business development, retained earnings, and all other matters.

Effective October 1, 2017, the Company conducted consolidation of shares at a rate of ten (10) shares to one (1) share of common shares of the Company. If the year-end dividend for the previous term is calculated after this consolidation of shares, it would be equivalent to 20 yen per share, thus an increase of 10 yen per share for this term.

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property to shareholders and total amount thereof
30 yen per common share of the Company
Total amount of dividends: 245,626,170 yen
- (3) Effective date of distribution of dividends of surplus
June 29, 2018

Proposal 2: Election of Three (3) Directors

The term of office of three (3) Directors, Tokio Matsuo, Toshimichi Fujikawa, and Nobukazu Kotake, will expire and Director Fumio Nishimura will resign at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of three (3) Directors.

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	Tokio Matsuo (April 26, 1957)	<p>Apr. 1980 Joined Asahi Glass Co., Ltd.</p> <p>Jan. 2006 General Manager of Engineering Center, Asahi Glass Co., Ltd.</p> <p>Jan. 2010 Executive Officer, General Manager of CSR Office, Asahi Glass Co., Ltd.</p> <p>Jan. 2016 Executive Officer, Assistant to CEO, Asahi Glass Co., Ltd.</p> <p>Mar. 2016 Counselor of the Company</p> <p>June 2016 President and Chief Executive Officer of the Company (present position)</p>	2,500
<p>[Reasons for his nomination as a candidate for Director]</p> <p>Tokio Matsuo served as Executive Officer at Asahi Glass Co., Ltd., and he has served as President and Chief Executive Officer since June 2016, acquiring a wealth of corporate management experience. 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>			
2	* Yukinobu Hasegawa (March 18, 1962)	<p>Apr. 1985 Joined the Company.</p> <p>June 2010 General Manager, Manufacturing Department of Uozu and Hayatsuki Factory</p> <p>Apr. 2013 General Manager of Specialty Polymers Division, Operational Headquarters of Functional Products</p> <p>Apr. 2016 General Manager of Specialty Polymers Division, Operational Headquarters of Functional Products, and Osaka Branch</p> <p>June 2016 Executive Officer, General Manager of Specialty Polymers Division, Operational Headquarters of Functional Products, and Osaka Branch</p> <p>Apr. 2017 Executive Officer, Deputy Senior General Manager of Operational Headquarters of Functional Products, and General Manager of Specialty Polymers Division</p> <p>Apr. 2018 Executive Officer and Senior General Manager of Operational Headquarters of Films and Sheets Division (present position)</p>	1,500
<p>[Reasons for his nomination as a candidate for Director]</p> <p>Yukinobu Hasegawa has overseen manufacturing and business departments of the Company for many years. As Executive Officer and Senior General Manager of the Operational Headquarters of the Films and Sheets Division, he is currently in charge of business strategy in the same business. Given his wealth of experience and expertise in the businesses of the Company, 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.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Nobukazu Kotake (January 1, 1951)	<p>Apr. 1974 Joined Komatsu Ltd.</p> <p>June 2000 General Manager of Construction Equipment Technical Center 1, Development Division, Komatsu Ltd.</p> <p>Apr. 2003 Executive Officer, General Manager of Construction Equipment Technical Center 1, Development Division, Komatsu Ltd.</p> <p>Jan. 2004 Executive Officer, Vice President of Development Division, Komatsu Ltd.</p> <p>Apr. 2007 Senior Executive Officer, President of Development Division, Komatsu Ltd.</p> <p>Apr. 2010 Deputy Representative of All China Operations, Komatsu Ltd.</p> <p>Apr. 2013 Senior Fellow, Komatsu Ltd.</p> <p>June 2016 Director of the Company (present position)</p>	0
<p>[Reasons for his nomination as a candidate for Outside Director]</p> <p>Nobukazu Kotake comes from the engineering division of Komatsu Ltd. where he has served as Senior Executive Officer. He has worked overseas and has a wealth of corporate management experience. By utilizing his experience and expertise, he is expected to make suggestions regarding the Company's management in general and to contribute to strengthening the Company's corporate governance. In consideration of these reasons, the Company proposes his election as Outside Director. At the conclusion of this Ordinary General Meeting of Shareholders, his tenure as Outside Director will have been two (2) years.</p>			

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Nobukazu Kotake is a candidate for Outside Director.
 3. The Company has submitted notification to the Tokyo Stock Exchange that Nobukazu Kotake has been appointed as an independent officer. If his reelection is approved, the Company plans to continue the notification that he has been appointed as an independent officer.
 4. The Company has concluded with Nobukazu Kotake an agreement to limit his liability for damages under Article 423, paragraph 1 of the Companies Act in accordance with the provisions of Article 427, paragraph 1 of the same act. If his reelection is approved, the Company plans to renew the agreement. The maximum amount of the liability for damages under said agreements will be the minimum amount stipulated by the laws and regulations.
 5. 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 118th Ordinary General Meeting of Shareholders held on June 29, 2017, 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, responsible for President's special missions (sales), General Manager of Electronic Materials Division	
	June 2007 Director, in charge of 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.