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Securities Code: 4611

June 6, 2018

To our shareholders:

Toshijiro Iwasa  
President  
**Dai Nippon Toryo Co., Ltd.**  
1-124, Nishikujo 6-chome, Konohana-ku, Osaka

## NOTICE OF THE 135TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 135th Ordinary General Meeting of Shareholders of Dai Nippon Toryo Co., Ltd. (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 by postal mail or by the Internet. In this case, after reviewing the attached Reference Documents for the General Meeting of Shareholders, please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than 5:00 p.m., Wednesday, June 27, 2018 (Japan Standard Time), or enter your approval or disapproval of the proposals on the voting website designated by the Company (<https://evote.tr.mufg.jp/>) no later than the above-mentioned deadline.

**1. Date and Time:** Thursday, June 28, 2018 at 10:00 a.m. (Japan Standard Time) (Reception scheduled to open at 9:00 a.m.)

**2. Venue:** The Company’s Head Office, 4th Floor Conference Room  
1-124, Nishikujo 6-chome, Konohana-ku, Osaka

### **3. Purposes:**

#### **Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 135th Term (from April 1, 2017 to March 31, 2018), as well as 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 135th Term (from April 1, 2017 to March 31, 2018)

#### **Items to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Eight (8) Directors  
**Proposal 3:** Election of One (1) Corporate Auditor  
**Proposal 4:** Election of One (1) Substitute Corporate Auditor

- If you attend the meeting in person, please submit the enclosed voting form at the reception.
- Of documents to be attached to this notice, the Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements are not included in the attached documents of this notice because they are posted on the Company’s website (<http://www.dnt.co.jp/>) on the Internet in accordance with laws and regulations and Article 14 of the Articles of Incorporation. The Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements are a portion of the Consolidated Financial Statements and Non-Consolidated Financial Statements that were audited by Corporate Auditors or the Accounting Auditor, in producing the audit reports.
- In case any changes are made to the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements, the Company will post such changes on the Company’s website (<http://www.dnt.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### **Proposal 1:** Appropriation of Surplus

Returning profits stably to our shareholders is one of the important management issues, and the Company aims to maintain consistent and stable payment of dividends as our basic policy, while striving to strengthen corporate structure and maintaining financial soundness of the Company.

Based on the business performance for the current fiscal year and future business development of the Company, we plan to pay a year-end dividend of ¥25 per share. For reference, the Company conducted a five-to-one consolidation of common shares on October 1, 2017. When calculated based on the number of shares existing after the share consolidation, the annual dividend for the previous fiscal year was equivalent to ¥20 per share. Accordingly, the proposed year-end dividend for the current fiscal year is ¥5 higher than for the previous fiscal year.

1. Type of dividend property  
Cash
2. Allocation of dividend property to shareholders and total amount thereof  
¥25 per common share of the Company  
Total amount of dividends: ¥722,276,800
3. Effective date of distribution of dividends of surplus  
June 29, 2018

**Proposal 2: Election of Eight (8) Directors**

The term of office of all eight (8) current Directors will expire at the conclusion of this meeting. Therefore, we propose the election of eight (8) Directors (of whom two (2) are Outside Directors). The candidates for Director are as follows:

No.	Name		Position and responsibilities in the Company	Attendance to the Board of Directors
1	Toshijiro Iwasa	Reelection	Representative Director and President	100% (11/11)
2	Takayuki Sato	Reelection	Director, Senior Managing Executive Officer Overall management	100% (11/11)
3	Naoyuki Kimura	Reelection	Director, Managing Executive Officer General Manager, Overseas Operations Division in charge of Procurement	100% (9/9)
4	Hideyoshi Noda	Reelection	Director, Executive Officer General Manager, Production Division	100% (11/11)
5	Motohiro Yamamoto	Reelection	Director, Executive Officer General Manager, Coating Business Division	100% (9/9)
6	Kyoichi Haizaki	Reelection Outside Independent	Director	100% (11/11)
7	Tatsuhiko Nagano	New candidate	Executive Officer General Manager, Administrative Division	-
8	Michitaka Mukohara	New candidate Outside Independent	-	-

Notes: The attendance statuses for Naoyuki Kimura and Motohiro Yamamoto are of the meetings since their assignment on June 29, 2017.

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
1	Toshijiro Iwasa (September 27, 1947) Reelection	Apr. 1971      Joined the Company Apr. 2002      General Manager, Planning Department, Corporate Planning Department of the Company June 2004      Executive Officer, General Manager, Corporate Planning Department, Administrative Division of the Company Apr. 2005      Deputy General Manager, Administrative Division of the Company Apr. 2006      Deputy General Manager, Production Division of the Company June 2006      Director of the Company Apr. 2007      Managing Executive Officer of the Company Apr. 2010      Senior Managing Executive Officer in charge of Sales & Marketing of the Company June 2010      Representative Director and President of the Company (present position)	35,600 shares
[Reasons for nomination as candidate for Director] Having long been involved in corporate planning, production, and sales & marketing of the Company, he has extensive business expertise in the Company's overall business as an executive who has been in charge of management of the Company over the years. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthening the decision-making and supervisory functions of the Board of Directors by leveraging his ample experience and achievements.			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
2	Takayuki Sato (January 15, 1961) Reelection	<p>Apr. 1984      Joined the Company</p> <p>Apr. 2009      Deputy General Manager, Protective Coating Department, General Coating Business Division of the Company</p> <p>Apr. 2010      General Manager, Development Department, Technical Development Division of the Company</p> <p>Apr. 2011      Executive Officer, Deputy General Manager, General Coating Business Division (Head of Technology), and Deputy General Manager, Industrial Coating Business Division (Head of Technology) of the Company</p> <p>Apr. 2012      General Manager, Technical Development Division and Deputy General Manager, Coating Business Division (Head of Technology) of the Company</p> <p>June 2012      Director of the Company (present position)</p> <p>Apr. 2014      General Manager, Coating Business Division, and General Manager, Marketing &amp; Sales Department of the Company</p> <p>Apr. 2016      Managing Executive Officer, General Manager, Protective &amp; Decorative Coatings Department, Coating Business Division of the Company</p> <p>Apr. 2018      Senior Managing Executive Officer (present position), Overall management (present position) of the Company</p>	6,300 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Having long served in the Technical and Sales &amp; Marketing Divisions of the Company, he has extensive experience and achievements in the Company, and currently is responsible for overall management. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthening the decision-making and supervisory functions of the Board of Directors.</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	Naoyuki Kimura (May 28, 1959) Reelection	<p>Apr. 1982      Joined Mitsubishi Corporation</p> <p>Mar. 2003      CEO of Miteni S.p.A (Italy)</p> <p>July 2006      Manager, Fine Chemicals Unit, Head Office, Mitsubishi Corporation</p> <p>Mar. 2010      President of PT.Kaltim Parna Industri (Indonesia)</p> <p>Apr. 2013      General Manager, Warsaw Branch, Mitsubishi Corporation</p> <p>Apr. 2016      Executive Officer, Deputy General Manager, Overseas Operations Division; General Manager, Overseas Business Planning Department; and Deputy General Manager, Procurement Division of the Company</p> <p>Apr. 2017      General Manager, Overseas Operations Division (present position) in charge of Procurement (present position) of the Company</p> <p>June 2017      Director (present position), Managing Executive Officer of the Company (present position)</p> <p>[Responsibilities] Overseas Operations Division, Procurement Division</p>	100 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>He has extensive knowledge and experience of business nurtured at a general trading company, and currently is responsible for the Overseas Operations Division and the Procurement Division of the Company. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthening the decision-making and supervisory functions of the Board of Directors by leveraging his ample experience and achievements.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
4	Hideyoshi Noda (September 28, 1962) Reelection	<p>Apr. 1985      Joined Nippon Paint Co., Ltd.</p> <p>Apr. 1991      Joined Nippon Steel Chemical Co., Ltd. (currently NIPPON STEEL &amp; SUMIKIN CHEMICAL CO., LTD.)</p> <p>Apr. 2007      Joined NITTO CHEMICAL CO., LTD.</p> <p>Apr. 2010      Joined the Company as Deputy General Manager, Production Engineering Department, Production Division</p> <p>Oct. 2010      General Manager, Production Engineering Department, Production Division of the Company</p> <p>Apr. 2013      Executive Officer of the Company (present position)</p> <p>May 2013      Deputy General Manager, Coating Business Division and General Manager, Coating Business Planning Department of the Company</p> <p>Apr. 2015      General Manager, Production Division of the Company (present position)</p> <p>June 2015      Director (present position), General Manager, Production Engineering Department, Production Division of the Company</p> <p>[Responsibilities] Production Division</p> <p>[Significant concurrent position outside the Company] Representative Director and President, Nitto Sanwa Toryo Co., Ltd. Representative Director and President, Okayama Kako Co., Ltd.</p>	9,600 shares
<p>[Reasons for nomination as candidate for Director] He has extensive knowledge nurtured through his experience in the coating industry and, in addition to having experience in the Sales &amp; Marketing Division, is responsible for the Production Division at the Company. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthening the decision-making and supervisory functions of the Board of Directors by leveraging his ample experience and achievements.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
5	Motohiro Yamamoto (January 18, 1964) Reelection	Apr. 1986      Joined the Company Apr. 2014      Deputy General Manager, Technical Development Division, General Manager, Development Department, Head of First Technical Development Group, and Deputy General Manager, Protective & Decorative Coatings Department of the Company Apr. 2015      Executive Officer of the Company (present position) Apr. 2016      General Manager, Technical Development Division and Deputy General Manager, Coating Business Division (Head of Technology) of the Company June 2017      Director of the Company (present position) Apr. 2018      General Manager, Coating Business Division of the Company (present position) [Responsibilities] Coating Business Division, Specialty Business Division	2,700 shares
[Reasons for nomination as candidate for Director] Having long served in the technical division of the Company, he has extensive experience and achievements in the Company, and currently is responsible for the Sales & Marketing Department. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthening the decision-making and supervisory functions of the Board of Directors.			
6	Kyoichi Haizaki (December 22, 1948) Reelection Outside Independent	Mar. 1971      Joined Nippon Yusoki Co., Ltd. (currently Mitsubishi Logisnext Co., Ltd.) Sept. 2005      General Manager, Domestic Sales Planning Department, Domestic Sales Division, Nippon Yusoki Co., Ltd. June 2006      Executive Officer, Nippon Yusoki Co., Ltd. June 2007      Director, Nippon Yusoki Co., Ltd. June 2008      Managing Director, Nippon Yusoki Co., Ltd. Apr. 2009      Director, Nippon Yusoki Co., Ltd. Representative Director, Nichiyu MHI Forklift Co., Ltd. June 2010      Managing Director, Nippon Yusoki Co., Ltd. June 2011      Senior Managing Director, Nippon Yusoki Co., Ltd. Apr. 2013      Director, Senior Managing Executive Officer, Mitsubishi Nichiyu Forklift Co., Ltd. (Currently Mitsubishi Logisnext Co., Ltd.) June 2015      Senior Advisor, Mitsubishi Nichiyu Forklift Co., Ltd. June 2016      Advisor, Mitsubishi Nichiyu Forklift Co., Ltd. Director of the Company (present position)	0 shares
[Reasons for nomination as candidate for Outside Director] The Company requests election of him as an Outside Director in the belief that he will be able to contribute to strengthening the corporate governance of the Company by providing suggestions and proposals concerning the Company's overall management by leveraging his ample business expertise gained through his many years of experience at a listed company and his wealth of insight gained through his experience as a Director of the same company.			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
7	Tatsuhiko Nagano (September 22, 1963) New candidate	<p>Apr. 1987      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2012      General Manager, Corporate Banking Division No. 5, Corporate Banking Group No. 2, The Mitsubishi Bank, Ltd.</p> <p>June 2014      General Manager, Marunouchi Branch, The Mitsubishi Bank, Ltd.</p> <p>June 2017      Executive Officer (present position), Deputy General Manager, Administrative Division, and in charge of Finance of the Company</p> <p>Apr. 2018      General Manager, Administrative Division of the Company (present position)</p> <p>[Responsibilities] Administrative Division, Internal Audit Division</p>	0 shares
<p>[Reasons for nomination as candidate for Director] He has extensive knowledge and experience nurtured in financial institutions, and currently has responsibility for the Administrative Division of the Company. As such, the Company requests his election as a Director in the belief that he will be able to contribute to strengthen the decision-making and supervisory functions of the Board of Directors by leveraging his ample experience and achievements.</p>			
8	Michitaka Mukohara (November 3, 1954) New candidate Outside Independent	<p>Apr. 1977      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Jan. 1997      General Manager, Tamachi Higashi-guchi Branch, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Oct. 2000      General Manager, Media Relations Office, The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>June 2004      Executive Officer, General Manager, Credit Division, The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>June 2006      Representative Director and President, Marunouchi Yorozu Co., Ltd.</p> <p>June 2007      Deputy President, Mitsubishi UFJ Capital Co., Ltd.</p> <p>June 2008      President, Mitsubishi UFJ Capital Co., Ltd.</p> <p>June 2011      Full-time Audit &amp; Supervisory Board Member, MARUI GROUP CO., LTD.</p> <p>Dec. 2015      Deputy President, MST Insurance Service Co., Ltd. (present position)</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director] The Company requests election of him as an Outside Director in the belief that he will be able to contribute to strengthening the corporate governance of the Company with suggestions and proposals concerning the Company's overall management by leveraging his ample business expertise gained through his experience as a full-time Audit &amp; Supervisory Board Member in a listed company and a senior corporate executive of business companies, in addition to that in financial institutions over many years.</p>			

- Notes:
1. Hideyoshi Noda, a candidate for Director, serves concurrently as Representative Director and President of Nitto Sanwa Toryo Co., Ltd. and Okayama Kako Co., Ltd. The Company outsources the production of paints to Nitto Sanwa Toryo Co., Ltd. and Okayama Kako Co., Ltd.
  2. There are no special interests between the other candidates and the Company.
  3. Matters pertaining to candidates for Outside Director are as follows.
    - (1) Kyoichi Haizaki and Michitaka Mukohara are candidates for Outside Director.  
The Company has designated Kyoichi Haizaki and Michitaka Mukohara as Independent Officers and notified such designations to the Tokyo Stock Exchange in accordance with the rules of Tokyo Stock Exchange, Inc.
    - (2) Also, at the conclusion of this meeting, Kyoichi Haizaki will have been an Outside Director for two (2) years.
    - (3) The Company has entered into limited liability agreements with Kyoichi Haizaki under Article 423, paragraph 1 of the Companies Act. Limitation on liability of Outside Director to compensate damages under such agreements is set out to be the minimum amounts set forth in the relevant laws and regulations. If the reappointment of Kyoichi Haizaki is approved, the Company intends to continue the above limited liability agreements. Moreover, if the

appointment of Michitaka Mukohara is approved, the Company intends to enter into a similar limited liability agreement with him.

- (4) There are business transactions such as providing coatings, etc. between the Company and Mitsubishi Logisnext Co., Ltd., where Kyoichi Haizaki served as a business executive, but the amount of these transactions in the most recent fiscal year is negligible (less than 0.2%) for the consolidated net sales of the Company. Accordingly, the Company has determined that the independence of Kyoichi Haizaki is secured.
- (5) There are business transactions such as borrowings, etc. between the Company and MUFG Bank, Ltd., where Michitaka Mukohara served as a business executive; however, the amount of these borrowings at the end of the most recent fiscal year is small (less than 1%) for the consolidated total assets of the Company. Accordingly, the Company has determined that the independence of Michitaka Mukohara is secured.

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

The term of office of Corporate Auditor Hiroyuki Fujii will expire at the conclusion of this meeting. Therefore, we propose the election of one (1) Corporate Auditor.

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

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
Hiroyuki Fujii (August 1, 1954) Reelection Outside Independent	Apr. 1981      Joined SHIMADZU CORPORATION Apr. 2005      General Manager, Human Resources Department, SHIMADZU CORPORATION June 2007      Corporate Officer, SHIMADZU CORPORATION June 2009      Director, in charge of Human Resources and Global Environmental Management, SHIMADZU CORPORATION June 2011      In charge of Public Relations, SHIMADZU CORPORATION June 2013      Corporate Auditor, SHIMADZU CORPORATION (present position) June 2014      Outside Corporate Auditor of the Company (present position) [Significant concurrent position outside the Company] Corporate Auditor of SHIMADZU CORPORATION	400 shares
[Reasons for nomination as candidate for Outside Corporate Auditor] The Company requests election of him as an Outside Corporate Auditor in the belief that he will be able to execute his duties as Corporate Auditor from his expert perspective by leveraging his experience as a Director and Corporate Auditor in a listed company and his ample knowledge of finance and accounting.		

- Notes:
1. There is no special interest between Hiroyuki Fujii, a candidate for Outside Corporate Auditor, and the Company.
  2. Hiroyuki Fujii is a candidate for Outside Corporate Auditor.  
The Company has designated Hiroyuki Fujii as an Independent Officer and notified such designation to the Tokyo Stock Exchange in accordance with the rules of Tokyo Stock Exchange, Inc.
  3. At the conclusion of this meeting, Hiroyuki Fujii will have been an Outside Corporate Auditor for four (4) years.
  4. The Company has entered into a limited liability agreement with Hiroyuki Fujii under Article 423, paragraph 1 of the Companies Act. Limitation on liability of Outside Corporate Auditor to compensate damages under such agreement is set out to be the minimum amounts set forth in the relevant laws and regulations. If the reappointment of Hiroyuki Fujii is approved, the Company intends to continue the above limited liability agreement.
  5. There are business transactions between the Company and SHIMADZU CORPORATION, where Hiroyuki Fujii serves as a Corporate Auditor; however, the amount of these transactions in the most recent fiscal year is negligible (less than 0.01%) for the consolidated net sales of SHIMADZU CORPORATION. Accordingly, the Company has determined that the independence of Hiroyuki Fujii is secured.
  6. In case a candidate for Outside Corporate Auditor was in office as director, executive officer or auditor of another company/companies during the past five (5) years, the fact that a violation of any laws, regulations and/or the Articles of Incorporation, or of any improper execution of duties, was made during his/her tenure at such other company/companies:  
While Hiroyuki Fujii was serving as a Corporate Auditor in SHIMADZU CORPORATION, an internal audit revealed that there had been some issues in execution of SHIMADZU CORPORATION's repair contract in the aviation instrument business with the Ministry of Defense, and the finding was reported to the Ministry of Defense in May 2016. As a result, SHIMADZU CORPORATION received a penalty of 3.5 months' nomination stop from the Ministry of Defense in June 2017. Although he was not aware of the violation until it came to light, he had always advocated strict compliance with the laws and regulations. After learning about the incident, he demanded thorough investigation and has been promoting reinforcement of the internal control and compliance in order to prevent recurrence.

**Proposal 4:** Election of One (1) Substitute Corporate Auditor

The effect of assignment of substitute Corporate Auditor Hiroshi Maeshima will expire at the commencement of this meeting. Therefore, we propose the election of one (1) substitute Corporate Auditor, to prepare for a situation where the number of Corporate Auditor does not satisfy the number prescribed 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 [Significant concurrent positions outside the Company]	Number of the Company's shares owned
Hiroshi Maeshima (November 25, 1951)	Mar. 1970    Joined Nippon Yusoki Co., Ltd. (currently Mitsubishi Logisnext Co., Ltd.) June 2004    Deputy General Manager, Corporate Planning Department, Nippon Yusoki Co., Ltd. Sept. 2005    General Manager, Corporate Planning Department, Nippon Yusoki Co., Ltd. Jan. 2006    Deputy General Manager, Corporate Planning Office, Nippon Yusoki Co., Ltd. June 2010    General Manager, Internal Audit Office, Administrative Division, Nippon Yusoki Co., Ltd. Oct. 2010    Corporate Auditor, Nichiyu MHI Forklift Co., Ltd. June 2011    Senior Corporate Auditor, Nippon Yusoki Co., Ltd. (present position) [Significant concurrent positions outside the Company] Audit and Supervisory Board Member, Mitsubishi Logisnext Co., Ltd.	0 shares
[Reasons for nomination as candidate for substitute Outside Corporate Auditor] The Company requests election of him as a substitute Outside Corporate Auditor in the belief that he will be able to execute his duties as Corporate Auditor from his expert perspective by leveraging his ample knowledge of the corporate planning office and internal control, etc. gained through his many years of experience including his current position as an Audit and Supervisory Board Member at a listed company.		

- Notes:
1. There is no special interest between Hiroshi Maeshima, a candidate for substitute Outside Corporate Auditor, and the Company.
  2. Hiroshi Maeshima is a candidate for substitute Outside Corporate Auditor.
  3. If he is appointed Corporate Auditor, the Company intends to enter into a liability limitation agreement with Hiroshi Maeshima per Article 423, paragraph 1 of the Companies Act. Based on this agreement, the limitation of liability for compensation for damages is set to be the minimum amount specified in the relevant laws and regulations.
  4. There are business transactions such as providing coatings, etc. between the Company and Mitsubishi Logisnext Co., Ltd., where Hiroshi Maeshima serves as an Audit and Supervisory Board Member, but the amount of these transactions in the most recent fiscal year is negligible (less than 0.2%) for the consolidated net sales of the Company. Accordingly, the Company has determined that the independence of Hiroshi Maeshima is secured.