

(Securities Code: 5659)

June 8, 2018

To our shareholders:

Motoshi Shinkai
President and CEO
Nippon Seisen Co., Ltd.
4-1-1 Koraibashi, Chuo-ku, Osaka, Japan

Notice of the Annual General Meeting of Shareholders

You are cordially invited to attend the 88th (fiscal year ended March 31, 2018) Annual General Meeting of Shareholders of Nippon Seisen Co., Ltd. (hereinafter the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights using either of the following methods. Please review the attached Reference Documents for General Meeting of Shareholders, and vote by 5:30 p.m. on Wednesday, June 27, 2018 (JST).

[Voting by Mail]

Please indicate your approval or disapproval of the proposals in the enclosed voting form, and return the form by postal mail so that it is received by the above deadline.

[Voting via the Internet]

You can vote via the Internet by using a smartphone to read the QR code printed at the bottom right of the enclosed voting form to access “Smart Voting,” or by accessing the designated voting website of the Company (<https://soukai.mizuho-tb.co.jp/>). Next, follow the on-screen guide and submit your approval or disapproval of the proposals by the above deadline. Moreover, when voting via the Internet, please see “Exercise of voting rights via the Internet” (in Japanese only).

1. Date and Time: Thursday, June 28, 2018, at 10:00 a.m. (JST)

2. Venue: Roumeikan 14F Hotel Monterey Osaka
3-3-45 Umeda, Kita-ku, Osaka, Japan

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 88th fiscal year (from April 1, 2017 to March 31, 2018), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 88th fiscal year (from April 1, 2017 to March 31, 2018)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of One Audit & Supervisory Board Member |
| Proposal No. 3 | Election of One Substitute Audit & Supervisory Board Member |
| Proposal No. 4 | Payment of Retirement Benefits for Retiring Audit & Supervisory Board Member, and Final Payment of Retirement Benefits in Conjunction with Abolition of Retirement Benefit Plan for outside Directors and Audit & Supervisory Board Members |
| Proposal No. 5 | Revision of Remuneration Amount for Audit & Supervisory Board Members |
| Proposal No. 6 | Payment of Bonuses to Officers |

4. Other Matters Decided upon Convocation

- (1) For votes submitted in writing, when there is no indication of approval or disapproval of a proposal, it is treated as an approval if it is a proposal from the Company.
- (2) If you have voted in writing via postal mail and via the Internet, your vote made via the Internet shall be valid. Furthermore, if you vote more than once via the Internet, your most recent vote shall be valid.

- If attending the meeting in person, please present the enclosed voting form at the reception desk.

- Any amendment to the Reference Documents for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, or Consolidated Financial Statements will be posted on the Company's website (<http://www.n-seisen.co.jp/>).

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

In regards to profit distribution, the Company makes it a basic principle to pay stable dividends on a continual basis at a payout ratio of at least 20% while giving comprehensive consideration to factors including consolidated business performance and the financial position, thereby meeting its shareholders' expectations.

Furthermore, the Company will allocate funds from internal reserves to be utilized as funds for "further improvement of corporate value," which includes capital investments, research and development activities, and new business development necessary for future long-term strategies.

In accordance with this policy, the Company proposes to pay year-end dividends for the 88th fiscal year, in order to reciprocate the support of its shareholders, as follows:

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property to shareholders and their aggregate amount

The Company proposes to pay a dividend of ¥70 per common share of the Company.

In this event, the total dividends will be ¥429,373,420.

Notes: Effective October 1, 2017, the Company has consolidated every five common shares into one share. If the interim dividends (¥10 per share) paid on September 30, 2017 is calculated after factoring in the consolidation of shares, the dividend will be ¥50 per share, and the annual dividend will be equivalent to ¥120 per share. This is an increase of ¥55 over the ¥65 annual dividend of the previous year (amount calculated after factoring in the consolidation of shares).

(3) Effective date of dividends of surplus

June 29, 2018

Proposal No. 2 Election of One Audit & Supervisory Board Member

At the conclusion of this meeting, the term of office of Audit & Supervisory Board Member Masahide Ukita will expire. Therefore, the Company proposes the election of one Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned (As of May 31, 2018)
Soichi Wakamatsu (October 31, 1957)	Apr. 1980 Joined the Company June 2007 General Manager of Finance & Accounting Department Oct. 2011 General Manager of Planning and Management Department Apr. 2013 General Manager of General Affairs Department and General Manager of Planning and Management Department Apr. 2015 General Manager of General Affairs Department Apr. 2016 Deputy Factory Manager of Hirakata Factory Apr. 2018 Advisor (current position)	300
The reasons Soichi Wakamatsu is a candidate for Audit & Supervisory Board Member are that he has many years of experience working primarily in the Finance & Accounting Department since joining the Company, serving as General Manager of Finance & Accounting Department from June 2007, and possesses an extensive experience and broad knowledge of finance and accounting.		
Note: There is no special interest between the candidate for Audit & Supervisory Board Member and the Company.		

Proposal No. 3 Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned (As of May 31, 2018)
Candidate for outside Audit & Supervisory Board Member Shosaku Minami (June 8, 1972)	Apr. 2000 Registered with Osaka Bar Association, joined Midosuji Legal Profession Corporation Sept. 2007 Retired from Midosuji Legal Profession Corporation Oct. 2007 Established Legal Solution Law Office (to present)	0

The reasons Shosaku Minami is a candidate for substitute outside Audit & Supervisory Board Member are that although he has never been involved in the management of a company, his extensive experience as an attorney at law and his fostered legal knowledge would be utilized in the auditing of the Company, and that the Company has judged that he would be able to appropriately fulfill the duties as outside Audit & Supervisory Board Member.

- Notes:
1. There is no special interest between Shosaku Minami and the Company.
 2. Shosaku Minami is to be appointed as a substitute outside Audit & Supervisory Board Member.
 3. If Shosaku Minami assumes the office of Audit & Supervisory Board Member, pursuant to the provisions of the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the amount stipulated by laws and regulations.

Proposal No. 4 Payment of Retirement Benefits for Retiring Audit & Supervisory Board Member, and Final Payment of Retirement Benefits in Conjunction with Abolition of Retirement Benefit Plan for outside Directors and Audit & Supervisory Board Members

As compensation for his services during his tenure, the Company proposes the payment of retirement benefits within the limit of the amount stipulated in the standard criteria established by the Company to Masahide Ukita, who will retire from his post as Audit & Supervisory Board Member at the conclusion of this meeting. The specific amount, timing and method of payment are proposed to be entrusted to the deliberation of the Audit & Supervisory Board Members.

His career summary is as follows:

Name	Career summary	
Masahide Ukita	June 2014	Full-time Audit & Supervisory Board Member of the Company (current position)

Furthermore, at the Board of Directors meeting held on April 26, 2018, the Company resolved to abolish the retirement benefit plan for outside Directors and Audit & Supervisory Board Members as of the conclusion of this meeting.

Accordingly, the Company proposes the final payment of retirement benefits to two currently serving outside Directors and three currently serving Audit & Supervisory Board Members within the limit of the amount stipulated in the standard criteria established by the Company, as compensation for their services during their tenures from assuming their offices as outside Director or Audit & Supervisory Board Member until the conclusion of this meeting.

In addition, the timing of the final payments to the eligible outside Directors and Audit & Supervisory Board Members is proposed to be paid at the time of retirement. Regarding the matters of the specific amount and the method, it is entrusted to the deliberation of the Board of Directors in the case of the outside Directors, and of the Audit & Supervisory Board Members in the case of the Audit & Supervisory Board Members.

The career summaries of the outside Directors and Audit & Supervisory Board Members to receive final payments are as follows:

Name	Career summary	
Takeshi Hanai	June 2015	Outside Director of the Company (current position)
Masaaki Takizawa	June 2016	Outside Director of the Company (current position)
Yukitomo Nakagawa	June 2016	Full-time Audit & Supervisory Board Member of the Company (current position)
Hiroshi Hanawa	June 2015	Audit & Supervisory Board Member of the Company (current position)
Shinichi Sasayama	June 2017	Audit & Supervisory Board Member of the Company (current position)

Proposal No. 5 Revision of Remuneration Amount for Audit & Supervisory Board Members

The remuneration amount for Audit & Supervisory Board Members of the Company was resolved to be up to ¥4,000,000 per month at the 81st Annual General Meeting of Shareholders held on June 29, 2011, and it has remained at that amount until today. However, in consideration of various reasons such as changes in the economic climate since then, and because of factors such as integration with remuneration following the abolition of the retirement benefit plan for Audit & Supervisory Board Members, the Company proposes that the remuneration amount for Audit & Supervisory Board Members be revised to be up to ¥5,000,000 per month.

(Reference)

	Monthly remuneration	Number of Audit & Supervisory Board Members at time of resolution
Resolution of 81st Annual General Meeting of Shareholders (June 29, 2011)	Up to ¥4,000,000	4
Revision	Up to ¥5,000,000	4 (Note)

Note: This number assumes that Proposal No. 2 (Election of One Audit & Supervisory Board Member) is approved and adopted as originally proposed.

Proposal No. 6 Payment of Bonuses to Officers

In consideration of the business results of this fiscal year, the Company proposes the payment of bonuses to officers totaling ¥30,000,000, to the three full-time Directors as of the end of this fiscal year.

Furthermore, the amounts to be paid to each Director shall be entrusted to the Board of Directors.