

[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 80th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Securities Code: 6370

June 9, 2016

Dear Shareholders

Michiya Kadota
President and Representative Director
Kurita Water Industries Ltd.
10-1, Nakano 4-chome, Nakano-ku, Tokyo

NOTICE OF CONVOCATION OF THE 80th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We take this opportunity to express our heartfelt sympathy to those affected by the recent Kumamoto Earthquakes.

We hereby provide notice that the 80th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. (the “Company”) shall be held as described below and request your attendance thereat.

If you are unable to attend on the day of the meeting, you may exercise your voting rights in writing or via the Internet. Please review the attached REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS described hereinafter, and exercise your voting rights in accordance with the Guide to Exercising Your Voting Rights on pages 55 and 56 of the Japanese original, so that your mail or Internet results reach us no later than 5:15 p.m. on Tuesday, June 28, 2016.

1. **Time and Date:** 10 a.m., Wednesday, June 29, 2016
2. **Place:** 10F Conference Room
Kurita Water Industries Ltd.,
Nakano Central Park East,
10-1, Nakano 4-chome, Nakano-ku, Tokyo
3. **Objectives of the Meeting:**
 1. **Reports:** 1. Reports on Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 80th Fiscal Year (From April 1, 2015, to March 31, 2016)
 2. Reports on Non-Consolidated Financial Statements for the 80th Fiscal Year (From April 1, 2015, to March 31, 2016)

Agenda:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Eleven (11) Directors
- Proposal No. 3:** Election of Two (2) Members of the Audit & Supervisory Board
- Proposal No. 4:** Election of One (1) Substitute Member of the Audit & Supervisory Board
- Proposal No. 5:** Decision on Amount of Performance-Linked Stock Compensation to Directors and Its Details

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4. Other Matters regarding the Convocation of the General Meeting of Shareholders

If your voting rights are exercised in duplicate in writing and via the Internet:

The exercise of your voting rights that reaches the Company last shall be deemed valid.

Provided, however, that in the event your Voting Rights Exercise Form and your exercise via the Internet reach the Company on the same date, the exercise of your voting rights via the Internet shall be deemed valid.

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- > If you intend to attend the meeting, we request that you submit the enclosed Voting Rights Exercise Form to the reception desk at the meeting.

Any persons other than the shareholders who are entitled to exercise their voting rights (e.g., proxies who are not shareholders and companions, etc.) are not allowed to enter the place of this meeting.

- > Notes to consolidated financial statements and notes to non-consolidated financial statements are not stated in accompanying materials of this notice of convocation as they are posted on the Company's website on the Internet (http://ir.kurita.co.jp/ir_event/shareholder_meeting/) based on laws, regulations and provisions of Article 14 of the Articles of Incorporation of the Company.
- > The Company participates in the Electronic Voting Platform operated by ICJ, Inc.
- > If there are any corrections to the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, the Business Report, the Consolidated Financial Statements and/or the Non-Consolidated Financial Statements, such corrections will be posted on the Company's Web site (http://ir.kurita.co.jp/ir_event/shareholder_meeting/).

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No. 1: Appropriation of Surplus

1. Fiscal Year-End Dividends

The Company's basic policy is to pay stable dividends on an ongoing basis. The Company will endeavor to return profits to shareholders by maintaining a dividend increase, setting a consolidated dividend payout ratio of 30% to 50% as a guide and making the decision based on consolidated dividend payout ratios for the most recent five years in order to respond flexibly to changes in the financial results each year.

For the fiscal year ended March 31, 2016, the Company proposes to distribute the year-end dividend as described below to meet the continued support and expectations of shareholders.

(1) Type of Property for Dividends:

Money

(2) Allotment of Property for Dividends and Total Amount Thereof:

¥24 per share of the Company's common stock for a total of ¥2,788,726,080

The Company proposes that the year-end dividend per share be ¥24 per share, an increase of ¥1 per share from a year earlier.

The Company's annual dividend for the fiscal year under review would be ¥48 per share, including ¥24 per share distributed as an interim dividend, an increase of ¥1 per share from a year earlier, and the consolidated dividend payout ratio would be 44.3%.

(3) Effective Date of the Distribution of Surplus:

June 30, 2016

2. Other Matters Regarding the Appropriation of Surplus

The Company proposes to distribute internal reserves as described below to strengthen its management foundation in preparation for active business development in the future through the use of investments, etc. to enhance corporate value.

(1) Item of Increasing Surplus and its Amount

General reserve: ¥8,000,000,000

(2) Item of Decreasing Surplus and its Amount

Retained earnings brought forward: ¥8,000,000,000

Proposal No. 2: Election of Eleven (11) Directors

As the term of office of all eleven (11) current Directors will expire at the conclusion of the 80th Ordinary General Meeting of Shareholders, the Company proposes to elect eleven (11) Directors (including two external Directors). The candidates for Director are as follows. At the time the Company considered the candidates at a meeting of the Board of Directors held in February 2016, the former president (Toshiyuki Nakai, current Chairman and Director) had already consulted with the Nomination and Remuneration Advisory Council and obtained the report that the candidates are appropriate.

No.	Name	Position	Commissioned duties	Number of attendances at the Board of Directors meetings
1	Reappointment Toshiyuki Nakai	Chairman and Director	—	11/11
2	Reappointment Michiya Kadota	President and Representative Director	—	11/11
3	Reappointment Kouichi Iioka	Executive Senior Managing Director and Representative Director	General Manager of Chemicals Division	11/11
4	Reappointment Kiyoshi Itou	Managing Director	General Manager of Administrative Division	11/11
5	Reappointment Takahito Namura	Managing Director	General Manager of Research and Development Division	11/11
6	Reappointment Toshitaka Kodama	Managing Director	General Manager of Facilities Division	11/11
7	Reappointment Yoshio Yamada	Director	General Manager of Sales Group I, Chemicals Division	11/11
8	New appointment Ikuo Ishimaru	Executive Officer	General Manager of Global Quality Group, Facilities Division	—
9	New appointment Hirohiko Ejiri	Executive Officer	General Manager of Corporate Planning Division	—
10	Reappointment Seiji Nakamura Candidate for an External Director Independent Officer	External Director	—	11/11
11	Reappointment Tsuguto Moriwaki Candidate for an External Director Independent Officer	External Director	—	9/9

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No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments in the Company and Significant Positions Concurrently Held	Number of the Shares of the Company Held
1	Toshiyuki Nakai (August 1, 1954) [Reappointment]	Apr. 1979 Joined Kurita Water Industries Ltd. Jun. 2003 General Manager of Planning Dept., Corporate Planning Division Jun. 2005 Director of the Company Apr. 2006 General Manager of Corporate Planning Division Jun. 2007 General Manager of Sales Group II, Facilities Division Jun. 2009 Retired from the position of Director, Kurita Water Industries Ltd. Jun. 2009 President and Representative Director, Kurita Engineering Co., Ltd. Jun. 2011 President and Representative Director of the Company Apr. 2016 Chairman and Director of the Company (Current position)	38,300 shares
Reasons for deciding to make him a candidate for a Director Mr. Nakai has been working to improve the quality of the company and enhance the corporate value of the Kurita Group as President and Representative Director from June 2011 to March 2016, after holding important posts such as head of the Corporate Planning Division, manager of business divisions, centering on the sales departments of the Water Treatment Facilities business, and representative director of Group companies in Japan and overseas. The Company judged that he was an individual knowledgeable about all aspects of management of the Group and capable of exercising leadership in increasing the effectiveness of the Board of Directors, and decided to make him a candidate for Director.			
2	Michiya Kadota (February 16, 1959) [Reappointment]	Apr. 1983 Joined Kurita Water Industries Ltd. Apr. 2006 General Manager of Business Process Reengineering Dept., Corporate Planning Division Apr. 2008 General Manager of Internal Auditing Dept. Apr. 2012 General Manager of Finance and Accounting Dept., Administrative Division Jun. 2013 Executive Officer of the Company Jun. 2014 Director of the Company Jun. 2014 General Manager of Administrative Division Apr. 2016 President and Representative Director (Current position)	3,800 shares
Reasons for deciding to make him a candidate for a Director Mr. Kadota has a career mainly in the area of general affairs such as finance and accounting and has been responsible for the Administrative Division as a Director of the Company from June 2014 to March 2016. He also carried through the integration of businesses acquired in Europe in a short period of time and has been President and Representative Director of the Company since April 2016. The Company judged that he was an individual capable of exercising leadership in improving the company quality and enhancing the corporate value of the Group and decided to make him a candidate for Director.			
3	Kouichi Iioka (March 5, 1953) [Reappointment]	Apr. 1975 Joined Kurita Water Industries Ltd. Jan. 1998 Group Leader of Oil Project, Water Treatment Division Apr. 2003 General Manager of Sales Dept. I, No. 1 Chemicals Group, Chemicals and Maintenance Services Division Jun. 2005 Executive Officer of the Company Jun. 2005 General Manager of No. 1 Chemicals Group, Chemicals and Maintenance Services Division Jun. 2007 Director of the Company Jun. 2009 General Manager of Facilities for General Industry Group, 1st Facilities Division Jun. 2011 Retired from the position of Director, Kurita Water Industries Ltd. Jun. 2011 President and Representative Director, Kuritec Service Co., Ltd. Jun. 2013 Managing Director of the Company Jun. 2013 General Manager of Chemicals Division (Current position) Apr. 2016 Executive Senior Managing Director and Representative Director (Current position)	18,900 shares
Reasons for deciding to make him a candidate for a Director Mr. Iioka has been responsible for the Water Treatment Chemicals business as the Managing Director of the Company for three years since June 2013, after holding important posts such as manager of business divisions and representative of Group companies in Japan and overseas, mainly in the sales departments of the Water Treatment Chemicals business. He has a strong track record of expanding the Water Treatment Chemicals business in Europe through acquisitions. The Company judged that he was an individual capable of exercising strong leadership in further expanding overseas business and the Water Treatment Chemicals business and decided to make him a candidate for Director.			

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments in the Company and Significant Positions Concurrently Held	Number of the Shares of the Company Held
4	Kiyoshi Itou (March 8, 1956) [Reappointment]	Apr. 1979 Joined Kurita Water Industries Ltd. Apr. 2000 Legal Director of Administrative Division Jun. 2003 General Manager of Personnel and Labor Relations Dept., Administrative Division Jun. 2007 Executive Officer of the Company Jun. 2009 Director of the Company Jun. 2009 General Manager of Administrative Division Jun. 2013 Managing Director (Current position) Jun. 2013 General Manager of Corporate Planning Division Apr. 2016 General Manager of Administrative Division (Current position)	23,600 shares
Reasons for deciding to make him a candidate for a Director Mr. Itou has been working to improve the company quality and enhance the corporate value of the Group as the Managing Director of the Company for three years since June 2013, after holding important posts in general affairs, such as human affairs and legal affairs. The Company judged that he was an individual capable of strengthening the risk management and corporate governance of the Group by using his knowledge and experience and decided to make him a candidate for Director.			
5	Takahito Namura (November 27, 1953) [Reappointment]	Apr. 1977 Joined Kurita Water Industries Ltd. Jan. 2000 General Manager of Sales Department, Hiroshima Office, Water Treatment Division Apr. 2008 General Manager of Osaka Sales, Group III, Chemicals Division Apr. 2009 Executive Officer of the Company Apr. 2009 General Manager of Group III, Chemicals Division Jun. 2011 Director of the Company Apr. 2012 General Manager of Sales Group I, Chemicals Division Jun. 2014 General Manager of Research and Development Division (Current position) Apr. 2016 Managing Director (Current position)	11,500 shares
Reasons for deciding to make him a candidate for a Director Mr. Namura has held important posts at the sales departments of the Water Treatment Chemicals business and facilitated the development of new products and technologies that will increase the competitiveness of the Group in his capacity as a Director of the Company since June 2011 and as manager of the Research and Development Division for two years since June 2014. The Company judged that he was an individual capable of increasing the competitiveness of the Group with new products and technologies tailored to market needs, using his considerable experience in sales and decided to make him a candidate for Director.			
6	Toshitaka Kodama (February 3, 1955) [Reappointment]	Apr. 1977 Joined Kurita Water Industries Ltd. Apr. 2000 General Manager of Environmental Sales Dept. I, Environmental Water Treatment Division Jan. 2009 President of KURITEC (SHANGHAI) CO.,LTD. Dec. 2009 General Manager of Ultra Pure Water Supply Dept., Ultra Pure Water Supply Group, 2nd Facilities Division Apr. 2011 Executive Officer of the Company Apr. 2011 General Manager of Water Treatment Facilities Group, Facilities Division Apr. 2012 Assistant to General Manager of Facilities Division (overseeing China) Jun. 2013 General Manager of Global Business Group, Facilities Division Jun. 2014 Director of the Company Jun. 2014 General Manager of Sales Group 1 and Water Supply Group, Facilities Division Apr. 2015 General Manager of Facilities Division Apr. 2016 Managing Director (Current position) Apr. 2016 General Manager of Facilities Division (Current position)	5,000 shares
Reasons for deciding to make him a candidate for a Director Mr. Kodama has held important posts including representative of an overseas Group company, primarily in the sales departments of the Water Treatment Facilities business, and manages the Water Treatment Facilities business with responsibility for the business divisions of the Water Treatment Facilities business as a Director of the Company since June 2014. He has served as a Managing Director of the Company since April 2016. The Company judged that he was an individual capable of expanding the Water Treatment Facilities business, using his experience and knowledge, and decided to make him a candidate for Director.			

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No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments in the Company and Significant Positions Concurrently Held	Number of the Shares of the Company Held	
7	Yoshio Yamada (June 18, 1958) [Reappointment]	Apr. 1982	Joined Kurita Water Industries Ltd.	6,900 shares
		Apr. 2004	General Manager of Paper and Pulp Project, No.1 Chemicals Group, Chemicals and Maintenance Services Division	
Apr. 2010	General Manager of Nagaya Sales, Group III, Chemicals Division			
Jun. 2011	Executive Officer of the Company			
Jun. 2011	General Manager of Planning and Coordination Dept., Chemicals Division			
Jun. 2013	General Manager of Sales Group II, Chemicals Division			
Apr. 2016	General Manager of Sales Group I, Chemicals Division (Current position)			
Reasons for deciding to make him a candidate for a Director Mr. Yamada held important posts at the sales departments of the Water Treatment Chemicals business and has been managing a business division of the Water Treatment Chemicals business as a Director of the Company since June 2014. The Company judged that he was an individual capable of expanding the Water Treatment Chemicals business by using his experience and knowledge and decided to make him a candidate for Director.				
8	Ikuo Ishimaru (August 27, 1961) [New appointment]	Apr. 1984	Joined Kurita Water Industries Ltd.	2,300 shares
		Apr. 2005	General Manager of Production Control Dept. III, Operations Control and Procurement Division	
Jun. 2013	Executive Officer of the Company (Current position)			
Jun. 2013	General Manager of Engineering Group, Facilities Production Division			
Apr. 2015	General Manager of Global Quality Group, Facilities Division (Current position)			
Reasons for deciding to make him a candidate for a Director Mr. Ishimaru held important posts at the engineering departments of the Water Treatment Facilities business and has been managing the Engineering Group since June 2013 as Executive Officer of the Company. The Company judged that he was an individual capable of improving the quality and competitiveness of the Water Treatment Facilities business by using his experience and knowledge and decided to make him a candidate for Director.				
9	Hirohiko Ejiri (October 6, 1962) [New appointment]	Apr. 1985	Joined Kurita Water Industries Ltd.	2,800 shares
		Apr. 2005	President of KURITA EUROPE GmbH	
Apr. 2011	General Manager of Sales Dept. for Heavy Industries, Group II, Chemicals Division			
Apr. 2014	Executive Officer of the Company (Current position)			
Jun. 2014	General Manager of Sales Group I, Chemicals Division			
Apr. 2016	General Manager of Corporate Planning Division (Current position)			
Reasons for deciding to make him a candidate for a Director Mr. Ejiri held important posts including representative of an overseas Group company, mainly in the sales departments of the Water Treatment Chemicals business, and has been managing the business divisions of the Water Treatment Chemicals business as the Executive Officer of the Company since April 2014, and serving as the General Manager of Corporate Planning Division since April 2016. Given his achievements in expanding overseas business of the Water Treatment Chemicals business, the Company judged that he was an individual capable of exercising leadership in improving the company quality and expanding business of the Group and decided to make him a candidate for Director.				

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No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments in the Company and Significant Positions Concurrently Held	Number of the Shares of the Company Held
	Seiji Nakamura (April 28, 1942) [Reappointment] [Candidate for an External Director] [Independent Officer]	Apr. 1965 Joined Former Mitsui O. S. K. Lines, Ltd. (currently Mitsui O.S.K. Lines, Ltd.) Jun. 1992 General Manager of Finance Division Jun. 1994 Director Jun. 1994 General Manager of Accounting Division Jun. 1995 General Manager of Corporate Planning Division Jun. 1996 Managing Director Jun. 1998 Senior Managing Director and Representative Director Jun. 2000 Executive Vice President and Representative Director Jun. 2003 President and Representative Director, MOL Ferry Co., Ltd. Apr. 2007 Member of the Policy Board of Bank of Japan Apr. 2012 Retired from Member of the Policy Board of the Bank of Japan Jun. 2013 Director of Kurita Water Industries Ltd. (Current position)	5,300 shares
10	<p>Reasons for deciding to make him a candidate for a Director Mr. Seiji Nakamura is an individual who played an important role in areas other than the business activities of the Company. The Company has decided to make him a candidate for an external Director to apply the knowledge and experience he has gained by holding positions such as a representative director to the management of the Company.</p> <p>Notes Concerning the Candidate for External Director</p> <ul style="list-style-type: none"> - His term of office as an External Director of the Company will be three (3) years as of the conclusion of this Ordinary General Meeting of Shareholders. - The Company has entered into an agreement with Mr. Nakamura that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved at this Meeting and Mr. Nakamura is reappointed as an External Director of the Company. - The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Nakamura as an Independent Officer as set forth under regulations thereof. 		
11	Tsguto Moriwaki (September 10, 1943) [Reappointment] [Candidate for an External Director] [Independent Officer]	Apr. 1967 Joined Kobe Steel, Ltd. Jun. 1996 Director Jun. 1999 Managing Director Oct. 1999 President and Representative Director, Kobelco Construction Machinery Co., Ltd. Jun. 2002 Executive Vice President and Representative Director, Kobe Steel, Ltd. Jun. 2004 President and Representative Director, Shinsho Corporation Jun. 2010 Adviser, Shinsho Corporation Jun. 2012 Retired from Shinsho Corporation Jun. 2015 Director of Kurita Water Industries Ltd. (Current position)	1,600 shares
<p>Reasons for deciding to make him a candidate for a Director Mr. Tsguto Moriwaki is an individual who has experience as a business manager and possesses a great deal of knowledge about manufacturing and corporate reform. The Company has decided to make him a candidate for an external Director to apply his knowledge and experience to the management of the Company.</p> <p>Notes Concerning the Candidate for External Director</p> <ul style="list-style-type: none"> - His term of office as an External Director of the Company will be one (1) year as of the conclusion of this Ordinary General Meeting of Shareholders. - The Company has entered into an agreement with Mr. Nakamura that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved at this Meeting and Mr. Nakamura is reappointed as an External Director of the Company. - The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Moriwaki as an Independent Officer as set forth under regulations thereof. 			

Note: No special interest exists between the Company and any of the above eleven (11) candidates for Director.

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Proposal No. 3: Election of Two (2) Members of the Audit & Supervisory Board

As the term of office of Chiaki Kuzuu and Shiro Hayashi of the three incumbent members of the Audit & Supervisory Board will expire at the conclusion of the 80th General Meeting of Shareholders, the Company proposes to elect two (2) members of the Audit & Supervisory Board.

The Company has already obtained the consent of the Audit & Supervisory Board for this proposal.

The candidates for the members of the Audit & Supervisory Board are as follows:

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments in the Company and Significant Positions Concurrently Held		Number of the Shares of the Company Held
1	Shiro Hayashi (May 26, 1954) [Reappointment]	Apr. 1977	Joined Kurita Water Industries Ltd.	5,300 shares
		Apr. 2000	General Manager of R&D Strategy Dept., Research and Development Division	
		Apr. 2001	General Manager of Intellectual Property Dept., Research and Development Division	
		Jun. 2009	General Manager of Personnel and Labor Relations Dept., Administrative Division	
		Apr. 2012	Assistant to General Manager of Business Process Reengineering Dept., Corporate Planning Division	
		Jun. 2012	Member of the Audit & Supervisory Board of the Company (full time) (Current position)	
Reasons for deciding to make him a candidate for a member of the Audit & Supervisory Board Mr. Hayashi has served as a full-time member of the Audit & Supervisory Board of the Company since June 2012 after holding important posts at the Research and Development Division and administrative divisions. As he has a wealth of knowledge and experience in technologies and management and experience working overseas, the Company judged that his highly effective audit in a wide range of areas would be promising and decided to make him a candidate for a member of the Audit & Supervisory Board.				
2	Kenjiro Kobayashi (October 1, 1953) [New appointment] [Candidate for an External Member of the Audit & Supervisory Board] [Independent Officer]	Apr. 1977	Joined Japan Development Bank (current Development Bank of Japan Inc.)	0 shares
		Apr. 2002	General Manager of the New Business Division of Development Bank of Japan Inc.	
		Jul. 2004	Managing Director of CITIC Provident Management Ltd.	
		Jun. 2006	Executive Officer of Johnson Diversey, General Manager of Corporate Strategy Planning Office	
		Apr. 2007	General Manager of Corporate Strategy Planning Division of Johnson Diversey	
		Apr. 2008	General Manager in charge of the Co-Creation Business Promotion Project of City of Yokohama	
		Nov. 2010	Representative Director and Executive Vice President of Japan Industrial Solutions Co., Ltd.	
		May 2013	Director of Japan Industrial Solutions Co., Ltd. (Current position)	
Reasons for deciding to make him a candidate for an external member of the Audit & Supervisory Board Mr. Kobayashi is an individual who has played an active role in different areas of the Group's businesses and has high expertise and a wealth of international experience in the areas of finance, corporate planning, new business development and M&A, etc. As he is capable of reflecting his expertise and experience on the audit of the Company, the Company has decided to make him a candidate for an external member of the Audit & Supervisory Board.				
Notes Concerning the Candidate for an External Member of the Audit & Supervisory Board - Mr. Kobayashi will retire as Director of Japan Industrial Solutions Co., Ltd. on June 28, 2016 and subsequently will not hold any concurrent position. - As Mr. Kobayashi meets the requirements for an Independent Officer set forth by the Tokyo Stock Exchange, Inc., the Company will register him with the Tokyo Stock Exchange, Inc. as an Independent Officer if he is elected.				

Note: No special interest exists between the Company and the above two (2) candidates for Member of the Audit & Supervisory Board.

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Proposal No. 4: Election of One (1) Substitute Member of the Audit & Supervisory Board

To prepare for the case where the number of Member of the Audit & Supervisory Board of the Company lacks in the number set forth by the relevant laws and regulations, the Company proposes that Yoshihiro Tsuji be elected as a Substitute Member of the Audit & Supervisory Board.

The Audit & Supervisory Board has given its prior consent to this Proposal.

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

Name (Date of Birth)	Brief Personal History and Significant Positions Concurrently Held	Number of the Shares of the Company Held
Yoshihiro Tsuji (June 7, 1961) [Candidate for a Substitute External Member of the Audit & Supervisory Board]	Apr. 1994 Registered as an attorney Jun. 2001 Jointly established DAIICHI-CHUO LAW OFFICE (Current position) Jun. 2006 Substitute Member of the Audit & Supervisory Board, Kurita Water Industries Ltd. (Current position) (Significant Positions Concurrently Held) Attorney, DAIICHI-CHUO LAW OFFICE	0 shares
Reasons for deciding to make him a candidate for a substitute external member of the Audit & Supervisory Board The Company judged that Mr. Tsuji would appropriately perform the duties of an External Member of the Audit & Supervisory Board by taking advantage of his expertise and wealth of knowledge about corporate legal affairs as an attorney for the Company's audits.		
Notes Concerning the Candidate for a Substitute External Member of the Audit & Supervisory Board - Mr. Tsuji had not previously engaged in corporate management in ways other than acting as an external director or an external member of the Audit & Supervisory Board. However, the Company judged that he would appropriately perform the duties of an External Member of the Audit & Supervisory Board in the Company's audits because he has expertise and sufficient insight in corporate legal affairs as an attorney. - Mr. Tsuji satisfies the requirements of an Independent Auditor as set forth under the regulations of Tokyo Stock Exchange, Inc.		

Note: No special interest exists between the Company and the above candidate for Substitute Member of the Audit & Supervisory Board.

Proposal No. 5: Decision on Amount of Performance-Linked Stock Compensation to Directors and Its Details

1. Reason for the proposal and reasons justifying such compensation

As compensation to its Directors, the Company adopts the annual salary system according to their division of roles and degree of contribution. However, the Company proposes to introduce a new performance-linked stock compensation plan (“the Plan”) to further increase the motivation of Directors to contribute to the sustainable growth of the Group over the medium to long term and to the enhancement of its corporate value.

The Plan aims to not only strengthen the motivation of the Directors to achieve the business performance as the actual amount of their compensation will be influenced by the stock price, but also to ensure that they experience with shareholders the profits and risks arising from changes in the share price. Therefore, the Company thinks that the introduction of the Plan is reasonable and appropriate.

With respect to the amount and details of the compensation to the Directors under the Plan, the Company wants to pay the stock compensation for the first time to Directors as an addition to the limit of compensation to the Directors that was approved at the 72nd Ordinary General Meeting of Shareholders held on June 27, 2008 (within an annual amount of 800 million yen; provided, however, that the salary of a Director who concurrently serves as an employee is not included).

If the Proposal No. 2 “Election of Eleven (11) Directors” is passed as proposed, the number of the Directors to be covered by the Plan will be nine (9).

2. Amount and details of compensation under the Plan

(1) Overview of the Plan

The Plan is a performance-linked stock compensation plan in which points will be granted to the Directors according to their position and performance (excluding external Directors; the same applies below), and the number of shares of the Company’s common stock corresponding to the number of points granted and accumulated will be distributed when they retire as Director.

When introducing the Plan, the Company will adopt a scheme of the Stock Distribution Trust for Officers (“the Trust”) that will be established by cash contributed by the Company.

(2) Performance-linked benchmark

The number of points to be granted will be linked to profit attributable to owners of parent as a performance benchmark. The Company believes that profit attributable to owners of parent is appropriate as a benchmark to decide the compensation for the Directors who are responsible for enhancing the corporate value of the Group and maximizing profits for shareholders, as it is the final period income earned through activities during the fiscal year and directly linked to the enhancement of corporate value during the period.

(3) Method of calculating points to be granted to each Director

The number of points to be granted to each Director is calculated by dividing the amount specified by the Officer Compensation Regulations according to the Director’s position and profit attributable to owners of parent by the acquisition cost of shares of the Company’s common stock under the Trust, with one point as one share of the Company’s common stock.

However, the total number of points to be granted to the Directors will be limited to 80,000 points per fiscal year.

(4) Upper limit on the amount of Trust Money to be contributed to the Trust as a source of funds with which to acquire shares of common stock of the Company

The Company will contribute cash with 800 million yen as the limit during the period of the Trust (five years) as funds to acquire the shares necessary to be distributed to the Directors under the Plan, and will establish the Trust with Directors who meet certain requirements as the beneficiaries. The Trust will acquire shares of the Company’s common stock from the stock market, using cash entrusted by the Company as the source.

When the trust period expires, the Company may extend it as needed by setting the period within three years based on a decision of the Board of Directors of the Company. In this case, the Company will contribute additional cash to the Trust, with the amount obtained by multiplying the number of years of the trust period to be extended by 160 million yen as the upper limit of additional funds to acquire the Company’s shares necessary for distributing to the Directors under the Plan. During the expended period of the Trust, the Company will continue to grant points stated in (3) above and distribute the shares of the Company’s common stock stated in (5) below.

However, if the Company does not continue the granting of points for reasons such as the abolition of the Plan, the period of the Trust may be extended at the time it expires until the Directors who have yet to retire despite points having already been granted retire and the distribution of the Company’s shares is completed.

(5) Distribution of shares of common stock of the Company to each Director

The number of shares of common stock of the Company to be distributed to each Director will be the number of points granted to him/her multiplied by a factor of one (1); provided, however, that if any share split, reverse share split or any other event for which it would be considered reasonable to adjust the number of shares occurs with

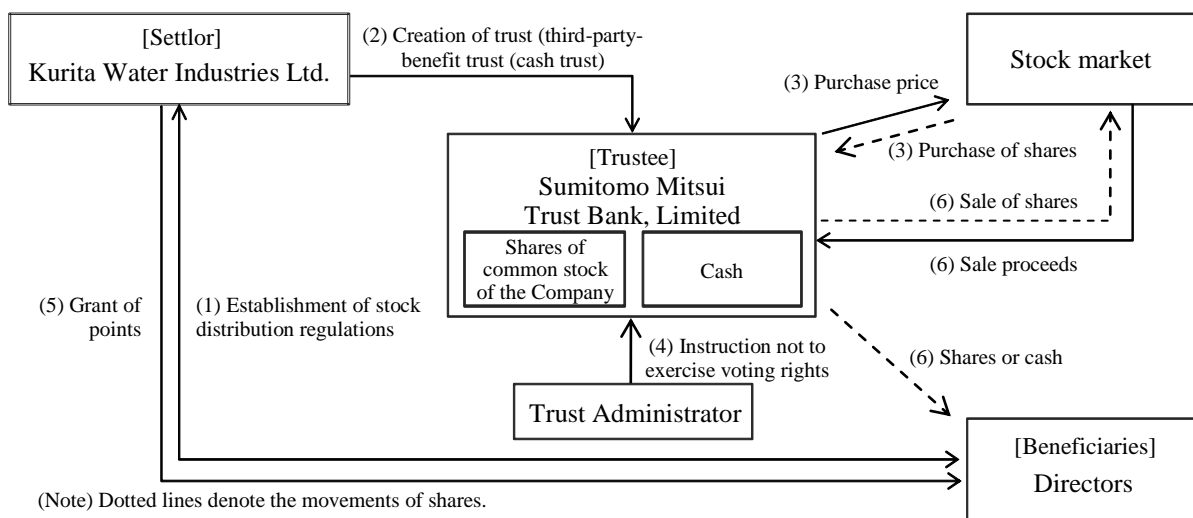
respect to the shares of common stock of the Company, then the Company will make reasonable adjustments depending on the ratio of such stock split or reverse stock split.

Shares of common stock of the Company will be distributed from the Trust to each eligible Director after he/she performs the established beneficiary determination procedures at the time of his/her retirement. However, a certain specific portion of such shares will be sold and converted into cash within the Trust, and will be distributed in cash instead of the shares. If the shares of common stock of the Company left within the Trust are converted into cash such as when a tender offer is accepted and settled with respect to such shares, the Company may make a distribution in money instead of the shares.

(6) Overview of the Trust

- (i) Name: Stock Distribution Trust for Officers
- (ii) Settlor: Kurita Water Industries Ltd.
- (iii) Trustee: Sumitomo Mitsui Trust Bank, Limited (scheduled)
- (iv) Beneficiaries: Eligible Directors fulfilling requirements of the Beneficiaries
- (v) Trust Administrator: A third party with no interests in the Company will be appointed (scheduled).
- (vi) Trust type: Trust of money other than money trust (third-party-benefit trust)
- (vii) Date of Trust Agreement: August 2016 (scheduled)
- (viii) Date on which cash will be entrusted: August 2016 (scheduled)
- (ix) Trust period: From August 2016 (scheduled) to August 2021 (scheduled)

A. Structure of the Trust



- (1) The Company will establish Stock Distribution Regulations intended for its Directors.
- (2) The Company will create a stock distribution trust (third-party-benefit trust) for Directors as Beneficiaries. When doing so, the Company will leave such amount of cash as to be equivalent to that for funds to acquire shares (limited to an amount within the purview approved by the Shareholders' Meeting) in trust with the Trustee.
- (3) The Trustee will acquire, in one lump, a sufficient enough number of shares of common stock of the Company through the stock market that are expected to be distributed in future.
- (4) Throughout the period of the Trust, the Company will appoint a Trust Administrator (who will be a person who is independent from the Company and its officers) who is responsible for protecting the interests of the Beneficiaries who are covered by the Stock Distribution Regulations and supervising the Trustee. The voting rights to the Company' shares will not be exercised during the period of the Trust.
- (5) Pursuant to the Stock Distribution Regulations, the Company will grant points to the eligible Directors.
- (6) The Directors fulfilling requirements prescribed in the Stock Distribution Regulation and the Trust Agreement will receive, as Beneficiaries of the Trust, a distribution of shares of common stock of the Company equivalent to the cumulative number of points from the Trustee. In certain specific cases set forth in advance in the Stock Distribution Regulations and the Trust Agreement, the Company will sell part of the distributable shares kept within the Trust in the stock market and distribute cash.

B. Creation of the Trust

The Company will establish the Trust by contributing funds necessary for the Trust to acquire the number of shares of the Company that is rationally estimated to be necessary for distribution in accordance with (5), above, a certain period ahead of schedule. The Trust will acquire shares of the Company's common stock as described in D below, with the funds contributed by the Company as the source.

C. Period of the Trust

The period of the Trust will be approximately five (5) years, starting in August 2016 (scheduled) and ending in August 2021 (scheduled); provided however, as stated in (4) above, this period of the Trust may be extended.

D. Method of Acquisition by the Trust of Shares of Common Stock of the Company

The Company plans to have the Trust initially acquire shares of its common stock through the stock market within the upper limit on the amount of funds for acquiring shares as stipulated in (4) above, but will resolve at the Board of Directors meeting and disclose further details of the acquisition method after obtaining approval at this Annual General Meeting of Shareholders.

If, during the period of the Trust, due to an increase in the number of Directors or any other cause, the number of shares of common stock of the Company kept within the Trust becomes short of that corresponding to the number of points to be granted to the eligible Directors during the period of the Trust, the Company may have the Trust acquire additional shares by leaving additional cash in trust within the scope of the upper limit on the trust money approved by this Annual General Meeting of Shareholders as stated in (4) above.

E. Exercise of the Voting Rights

Pursuant to the instructions of the Trust Administrator who will be independent of the Company and its Directors and Corporate Auditors, the voting rights associated with the shares kept within the Trust will not be exercised without exception, which will assure the neutrality of the Company's management in relation to exercise of the voting rights of such shares.

F. Handling of Dividends

Dividends on the shares of common stock of the Company kept within the Trust will be received by the Trust, and will be applied towards payment for acquisition of the shares of common stock of the Company, trust fees for the Trustee associated with the Trust, etc.

G. Handling of Trust Property at the Time of Termination of the Trust

Of the residual property left within the Trust at the time of termination of the Trust, pursuant to the provisions of the Stock Distribution Regulations and the Trust Agreement, the Company plans to donate a certain amount of residual property to specified public-service promotion corporations who does not have any interest in the Company or any Director belonging thereto.