

[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 81st 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, 2017

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 81st ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby provide notice that the 81st 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, etc. 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 58 and 59 of the Japanese original, so that your mail or Internet results reach us no later than 5:15 p.m. on Wednesday, June 28, 2017.**

1. **Time and Date:** 10 a.m., Thursday, June 29, 2017
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:**
  - 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 81st Fiscal Year (From April 1, 2016, to March 31, 2017)
    2. Reports on Non-Consolidated Financial Statements for the 81st Fiscal Year (From April 1, 2016, to March 31, 2017)
  - Agenda:**
    - Proposal No. 1:** Appropriation of Surplus
    - Proposal No. 2:** Election of Ten (10) Directors
    - Proposal No. 3:** Election of One (1) Member of the Audit & Supervisory Board
    - Proposal No. 4:** Election of One (1) Substitute Member of the Audit & Supervisory Board

**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, etc.:

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, etc. reach the Company on the same date, the exercise of your voting rights via the Internet, etc. 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/shareholders\\_information/shareholder\\_meeting/index.html](http://ir.kurita.co.jp/shareholders_information/shareholder_meeting/index.html)) based on laws, regulations and provisions of Article 14 of the Articles of Incorporation of the Company. The notes to consolidated financial statements and the notes to non-consolidated financial statements that are posted on the Company's website are materials that have been audited by the members of Audit & Supervisory Board and the Accounting Auditor, and the audit report thereof is as attached to this notice of convocation.
  - > 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 website ([http://ir.kurita.co.jp/shareholders\\_information/shareholder\\_meeting/index.html](http://ir.kurita.co.jp/shareholders_information/shareholder_meeting/index.html)).
  - > The Company participates in the Electronic Voting Platform operated by ICJ, Inc.

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and References

#### Proposal No. 1: Appropriation of Surplus

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, 2017, 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:

¥25 per share of the Company's common stock for a total of ¥2,865,347,025

The Company proposes that the year-end dividend per share be ¥25 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 ¥50 per share, including ¥25 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 39.9%.

(3) Effective Date of the Distribution of Surplus:

June 30, 2017

**Proposal No. 2: Election of Ten (10) Directors**

As the term of office of all eleven (11) current Directors will expire at the conclusion of the 81st Ordinary General Meeting of Shareholders, the Company proposes to elect ten (10) Directors (including two external Directors).

The candidates for Director are as follows. The Corporate Governance Policies of the Company stipulate that to fulfill the high supervisory function over the operational execution, the Board of Directors shall consist of personnel with a high degree of expertise in various business fields, management planning, finance and accounting, legal affairs and technologies, etc. and shall be organized in a way that complements the necessary knowledge and experience for overall decision making. At the time the Company considered the candidates at a meeting of the Board of Directors, the president had already consulted with the Nomination and Remuneration Advisory Council and obtained the report that the candidates are appropriate. The Board of Directors has nominated the candidates after deliberating on this matter at its meeting held on February 28, 2017.

No.	Name	Position	Commissioned duties	Number of attendances at the Board of Directors meetings
1	<b>Reappointment</b> Michiya Kadota	President and Representative Director	—	11/11
2	<b>Reappointment</b> Kouichi Iioka	Executive Senior Managing Director and Representative Director	General Manager of Global Business Division and in charge of the chemicals business	11/11
3	<b>Reappointment</b> Kiyoshi Itou	Managing Director	General Manager of Group Administrative Division	11/11
4	<b>Reappointment</b> Takahito Namura	Managing Director	General Manager of Research and Development Division	11/11
5	<b>Reappointment</b> Toshitaka Kodama	Managing Director	General Manager of Sales II Division and in charge of the facilities business	11/11
6	<b>Reappointment</b> Yoshio Yamada	Director	General Manager of Sales I Division	11/11
7	<b>Reappointment</b> Ikuo Ishimaru	Director	General Manager of Group Quality & Production Division	9/9
8	<b>Reappointment</b> Hirohiko Ejiri	Director	General Manager of Corporate Planning Division	9/9
9	<b>Reappointment</b> Tsuguto Moriwaki Candidate for an External Director Independent Officer	External Director	—	11/11
10	<b>New appointment</b> Ryoko Sugiyama Candidate for an External Director Independent Officer	—	—	—

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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	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 of the Company (Current position)	7,600 shares
<p>Reasons for deciding to make him a candidate for a Director</p> <p>Mr. Michiya 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 for two years from June 2014. He also carried through the integration of businesses acquired in Europe in a short period of time. He has been the President and Representative Director of the Company since April 2016. The Company judged that he was an individual capable of exercising leadership in carrying out the overall reform of the Group and decided to make him a candidate for Director.</p>			
2	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 Apr. 2016    Executive Senior Managing Director and Representative Director of the Company (Current position) Apr. 2017    General Manager of Global Business Division and in charge of the chemicals business (Current position)	21,900 shares
<p>Reasons for deciding to make him a candidate for a Director</p> <p>Mr. Kouichi 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 been serving as the Executive Senior Managing Director and the Representative Director of the Company since April 2016. He has a strong track record of expanding the Water Treatment Chemicals business in Europe and North America through mergers or 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.</p>			

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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
3	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 of the Company (Current position) Jun. 2013    General Manager of Corporate Planning Division Apr. 2016    General Manager of Administrative Division Apr. 2017    General Manager of Group Administrative Division (Current position)	27,000 shares
Reasons for deciding to make him a candidate for a Director Mr. Kiyoshi Itou has been working to improve the company quality and enhance the corporate value of the Group as the Managing Director and General Manager of Corporate Planning Division of the Company for three years since June 2013, after holding important posts in general affairs, such as human affairs and legal affairs. He has been serving as the General Manager of Administrative Division since April 2016 and as the General Manager of Group Administrative Division since April 2017. The Company judged that he was an individual capable of strengthening the risk management and enhancing the corporate value of the Group by using his knowledge and experience and decided to make him a candidate for Director.			
4	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 of the Company (Current position)	14,100 shares
Reasons for deciding to make him a candidate for a Director Mr. Takahito 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 three years since June 2014. Since April 2016, he has been serving as the Managing Director of the Company. 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.			

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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
5	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 of the Company (Current position) Apr. 2016 General Manager of Facilities Division Apr. 2017 General Manager of Sales II Division and in charge of the facilities business (Current position)	8,100 shares
<p>Reasons for deciding to make him a candidate for a Director</p> <p>Mr. Toshitaka Kodama has held important posts including representative of an overseas Group company, primarily in the sales departments of the Water Treatment Facilities business. He has been responsible for the Water Treatment Facilities business as the Managing Director of the Company since April 2016 after serving as the General Manager of business divisions of the Water Treatment Facilities business as a Director of the Company since June 2014. The Company judged that he was an individual capable of exercising leadership in strengthening and expanding the Water Treatment Facilities business and decided to make him a candidate for Director.</p>			
6	Yoshio Yamada (June 18, 1958) [Reappointment]	Apr. 1982 Joined Kurita Water Industries Ltd. Apr. 2004 General Manager of Paper and Pulp Project, No.1 Chemicals Group, Chemicals and Maintenance Services Division Apr. 2010 General Manager of Nagoya 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 Jun. 2014 Director of the Company (Current position) Apr. 2016 General Manager of Sales Group I, Chemicals Division Apr. 2017 General Manager of Sales I Division (Current position)	9,800 shares
<p>Reasons for deciding to make him a candidate for a Director</p> <p>Mr. Yoshio 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 for three years since June 2014. Since April 2017, he has been serving as the General Manager of Sales I Division, which integrated the sales organizations of the water treatment chemicals, maintenance and services businesses in Japan. The Company judged that he was an individual capable of expanding the services business and decided to make him a candidate for Director.</p>			

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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	Ikuo Ishimaru (August 27, 1961) [Reappointment]	Apr. 1984    Joined Kurita Water Industries Ltd. 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 Jun. 2016    Director of the Company (Current position) Apr. 2017    General Manager of Group Quality & Production Division (Current position)	4,100 shares
		Reasons for deciding to make him a candidate for a Director Mr. Ikuo Ishimaru held important posts at the engineering departments of the Water Treatment Facilities business. He has been managing the Engineering Group since June 2013 as Executive Officer, and as Director since June 2016. Since April 2017, he has been serving as the General Manager of Group Quality & Production Division, which is responsible for the purchase and production activities of the Group. The Company judged that he was an individual capable of improving quality and increasing competitiveness in the production function and decided to make him a candidate for Director.	
8	Hirohiko Ejiri (October 6, 1962) [Reappointment]	Apr. 1985    Joined Kurita Water Industries Ltd. 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 Jun. 2014    General Manager of Sales Group I, Chemicals Division Apr. 2016    General Manager of Corporate Planning Division Jun. 2016    Director of the Company (Current position) Apr. 2017    General Manager of Corporate Planning Division (Current position)	4,600 shares
		Reasons for deciding to make him a candidate for a Director Mr. Hirohiko Ejiri held important posts including representative of an overseas Group company, mainly in the sales departments of the Water Treatment Chemicals business. He worked to improve the quality of the Group and enhance its corporate value as the General Manager of Corporate Planning Division, after serving as the General Manager of business divisions of the Water Treatment Chemicals business as Executive Officer of the Company since April 2014. He became a Director of the Company in June 2016 and has been serving as the General Manager of Corporate Planning Division since April 2017, and 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.	



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
	<p>Tsuguto Moriwaki (September 10, 1943) [Reappointment] [Candidate for an External Director] [Independent Officer]</p>	<p>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)</p>	<p>2,500 shares</p>
9	<p>Reasons for deciding to make him a candidate for a Director Mr. Tsuguto Moriwaki is an individual who possesses a great deal of knowledge about manufacturing and corporate reform and has held important positions such as representative director in other companies. The Company judged that he was capable of delivering opinions from an outside perspective, taking advantage of his knowledge and experience, and increasing the rationality and transparency of the Company's management and decided to make him a candidate for Director.</p>		
	<p>Notes Concerning the Candidate for External Director</p> <ul style="list-style-type: none"> <li>- The Kobelco Group is a customer of the Kurita Group. However, because the transaction value with the Kobelco Group is less than 0.2% of consolidated net sales of the Company, it does not fall under a major customer.</li> <li>- His term of office as an External Director of the Company will be two (2) years as of the conclusion of this Ordinary General Meeting of Shareholders.</li> <li>- The Company has entered into an agreement with Mr. Moriwaki 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. Moriwaki is reappointed as an External Director of the Company.</li> <li>- 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.</li> </ul>		

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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
10	<p>Ryoko Sugiyama (July 27, 1955) [New appointment] [Candidate for an External Director] [Independent Officer]</p>	<p>May 1996 Established Sugiyama &amp; Kurihara Environmental Consultants, Inc., Representative Director  Aug. 2007 Director of Sugiyama &amp; Kurihara Environmental Consultants, Inc. (Current position)  Apr. 2010 Professor at the Faculty of Social and Environmental Studies, Fuji Tokoha University (current Tokoha University)  Jun. 2010 External Director and Audit and Supervisory Committee Member, LECIP Holdings Corporation (Current position)  May 2014 Head and Chair of the Board, Gifu Shimbun Co., Ltd. (Current position)  Jun. 2015 External Director, UACJ Corporation (Current position)  Jan. 2016 Director, Gifu Sugiyama Memorial Foundation, a general incorporated foundation (now Gifu Sugiyama Memorial Foundation, a public interest incorporated foundation) (Current position)</p> <p>(Significant Positions Concurrently Held)  Head and Chair of the Board, Gifu Shimbun Co., Ltd.  External Director and Audit and Supervisory Committee Member, LECIP Holdings Corporation  External Director, UACJ Corporation  Director, Gifu Sugiyama Memorial Foundation, a public interest incorporated foundation</p>	0 shares
<p>Reasons for deciding to make her a candidate for a Director  Ms. Ryoko Sugiyama is an expert in the environment and wastes and has held important positions such as a university professor and an external director of listed companies. The Company judged that she was capable of checking the Company's management from an outside perspective different from the Company's and increasing the rationality and transparency and decided to make her a candidate for External Director.</p>			
<p>Notes Concerning the Candidate for External Director</p> <ul style="list-style-type: none"> <li>- The UACJ Group is a customer of the Kurita Group. However, because the transaction value with the UACJ Group is less than 0.1% of consolidated net sales of the Company, it does not constitute a major customer.</li> <li>- The Company plans to conclude an agreement that will limit the liability of officers stipulated in Paragraph 1, Article 423 of the Companies Act with Ms. Ryoko Sugiyama pursuant to the provisions of the Articles of Incorporation based on the provisions of Paragraph 1, Article 427 of the Companies Act on the assumption that this proposal will be approved. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.</li> <li>- The Company plans to notify the Tokyo Stock Exchange, Inc. of the appointment of Ms. Sugiyama as an Independent Officer as set forth under regulations thereof.</li> </ul>			

Note: No special interest exists between the Company and any of the above ten (10) candidates for Director.

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**Proposal No. 3: Election of One (1) Member of the Audit & Supervisory Board**

As the term of office of Tamio Uda of the three incumbent members of the Audit & Supervisory Board will expire at the conclusion of the 81st General Meeting of Shareholders, the Company proposes to elect one (1) member of the Audit & Supervisory Board.

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

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

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
Shigekazu Torikai (March 12, 1947) [New appointment] [Candidate for an External Member of the Audit & Supervisory Board] [Independent Officer]	Mar. 1990 Registered as an attorney Apr. 1994 Established Torikai Management Law Office (current Torikai Law Office) (Current position) Mar. 2015 External Director, United Super Markets Holdings Inc. (Current position) (Significant Positions Concurrently Held) Representative Lawyer, Torikai Law Office External Director, United Super Markets Holdings Inc.	0 shares
<p>Reasons for deciding to make him a candidate for an external member of the Audit &amp; Supervisory Board</p> <p>Mr. Shigekazu Torikai has special knowledge as well as considerable experience and deep insight in corporate legal affairs as an attorney. The Company judged that he was expected to conduct a high-quality audit from an outside perspective, using his specialty, experience and insight, and decided to make him a candidate for External Member of the Audit &amp; Supervisory Board.</p>		
<p>Notes Concerning the Candidate for an External Member of the Audit &amp; Supervisory Board</p> <ul style="list-style-type: none"> <li>- Mr. Shigekazu Torikai was not involved in corporate management in other ways than becoming the External Director or External Member of the Audit &amp; Supervisory Board in the past. However, the Company judged that he was capable of executing his duties appropriately in audits because he has special knowledge and considerable experience and insight about corporate legal affairs as an attorney.</li> <li>- The Company plans to conclude an agreement that will limit the liability of officers stipulated in Paragraph 1, Article 423 of the Companies Act with Mr. Torikai pursuant to the provisions of the Articles of Incorporation based on the provisions of Paragraph 1, Article 427 of the Companies Act on the assumption that this proposal will be approved. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.</li> <li>- The Company plans to notify the Tokyo Stock Exchange, Inc. of the appointment of Mr. Torikai as an Independent Officer as set forth under the regulations thereof.</li> </ul>		

Note: No special interest exists between the Company and the above candidate 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. Yoshihiro 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.