

(Translation)

Securities Code: 5262

June 14, 2017

To Our Shareholders:

Minoru Okawauchi
President and Director
NIPPON HUME CORPORATION
5-33-11 Shimbashi, Minato-ku, Tokyo

**NOTICE OF CONVOCATION OF
THE 134TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 134th Annual General Meeting of Shareholders of NIPPON HUME CORPORATION (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it to us no later than 5:20 p.m. Japan time on Wednesday, June 28, 2017.

- 1. Date and Time:** Thursday, June 29, 2017 at 10:00 a.m. Japan time
- 2. Place:** Conference room on the 8th floor of the Company (Shimbashi NH Building)
5-33-11 Shimbashi, Minato-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated Financial Statements for the 134th Fiscal Year (April 1, 2016 to March 31, 2017), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the 134th Fiscal Year (April 1, 2016 to March 31, 2017)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Ten (10) Directors
 - Proposal 3:** Continuation of Countermeasures against Large-scale Purchases of the Company’s Shares (Takeover Defense Measures)

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Please note that the following items are not presented in the attached document of this notice of convocation, as they are posted on the Company's website (<http://www.nipponhume.co.jp/>), in accordance with laws and regulations and the provisions under Article 14 of the Company's Articles of Incorporation.

1. Notes to the Consolidated Financial Statements

2. Notes to the Non-consolidated Financial Statements

The Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Board and Accounting Auditor in preparing the Audit Report and Accounting Auditor's Audit Report, respectively, include the information in the attached document, as well as other information required to be disclosed in the "Notes to the Consolidated Financial Statements" and "Notes to the Non-Consolidated Financial Statements."

If the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Non-Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website stated above.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes to distribute the surplus as described below.

The Company considers distribution of profits to shareholders as an important management task. Our basic policy is to maintain a stable dividend level. In the meantime, we strive to enhance overall return to shareholders by implementing purchases of treasury shares and other measures, taking into account factors such as maintaining a sound financial structure, enhancing internal reserves to prepare for business development, as well as performance.

Funds retained as internal reserves will be used as a portion of the funds invested in development of new products and new technologies and for capital investment in efficiency enhancement and reduction of power consumption. The efficiency of the investments is considered from a long-term perspective.

The Company is scheduled to pay the year-end dividend for the fiscal year under review as described below, taking into account factors such as non-consolidated financial results, consolidated financial results, financial condition and future management environment.

1. Details of the year-end dividend

1) Type of dividend property

Cash

2) Appropriation of dividend property to shareholders and its total amount

¥16 per share for the Company's common stock

Total dividends: ¥415,336,672

3) Effective date for dividends from surplus

June 30, 2017

2. Other matters concerning the appropriation of surplus

1) Accounting item of surplus to increase and the amount of increase

General reserve: ¥500,000,000

2) Accounting item of surplus to decrease and the amount of decrease

Retained earnings brought forward: ¥500,000,000

Proposal 2: Election of Ten (10) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders.

Therefore, the Company will increase one (1) Director in order to reinforce the management structure and proposes the election of ten (10) Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
1	Shizuo Nomura (March 12, 1949)	<p>April 1971 Joined the Company</p> <p>June 2001 General Manager of Kumagaya Factory President and Representative Director of ANZAI TEKKOSHO Corporation (current GYKO AKEBONO Corporation)</p> <p>June 2002 Director, General Manager of Technology Research Laboratory and Kumagaya Factory</p> <p>June 2003 Managing Director, General Manager of Corporate Planning Department and Administration Division President and Representative Director of NH FUTABA Corporation</p> <p>March 2007 Managing Director, General Manager of Corporate Planning Department and Administration Division, General Manager of Real Estate & Environmental Business Division Outside Corporate Auditor of NIPPON JOGESUIDO SEKKEI CO., LTD. (current NJS Co., Ltd.)</p> <p>June 2007 Senior Managing Director, General Manager of Corporate Planning Department and Administration Division, General Manager of Real Estate & Environmental Business Division, in charge of International Business Division</p> <p>June 2008 Senior Managing Director, General Manager of Internal Audit Office and Corporate Planning Department, General Manager of Administration Division, General Manager of Human Resources Department, General Manager of Real Estate & Environmental Business Division, in charge of International Business Division</p> <p>June 2009 President and Representative Director Outside Director of ASAHI CONCRETE WORKS CO., LTD.</p> <p>June 2015 Chairman and Representative Director (to present)</p>	32,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
2	Minoru Okawauchi (February 7, 1954)	September 1985 Joined the Company June 1992 President and Representative Director of NIPPON HUME INTERNATIONAL LTD. April 1999 General Manager of International Business Division June 2003 Director, General Manager of International Business Division June 2009 Managing Director, General Manager of International Business Division Director of NIPPON HUME INTERNATIONAL LTD. October 2009 Managing Director of NIPPON HUME INTERNATIONAL LTD. March 2011 Outside Director of NIPPON JOGESUIDO SEKKEI CO., LTD. (current NJS Co., Ltd.) April 2011 Managing Director, in charge of International Business Division June 2011 Outside Corporate Auditor of DC Co., Ltd. June 2013 Senior Managing Director, General Manager of Corporate Planning Department June 2014 Senior Managing Director, General Manager of Administration Division, in charge of Corporate Planning Department and International Business Division June 2015 President and Representative Director (to present)	21,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
3	Naoki Toyoguchi (August 9, 1951)	<p>April 1974 Joined the Company</p> <p>June 2003 General Manager of Osaka Branch</p> <p>June 2007 Director, General Manager of Tokyo Branch</p> <p>June 2011 Managing Director, General Manager of Tokyo Branch</p> <p>June 2012 Managing Director, General Manager of Sales Division and Product Sales Department, General Manager of Market Development Department</p> <p> President and Representative Director of NIPPON HUME ENGINEERING CORPORATION</p> <p> President and Representative Director of HUMEZ CORPORATION</p> <p>March 2013 Outside Corporate Auditor of NIPPON JOGESUIDO SEKKEI CO., LTD. (current NJS Co., Ltd.) (to present)</p> <p>April 2013 Managing Director, General Manager of Sales Division and Product Sales Department</p> <p>June 2013 Managing Director, General Manager of Sales Division, in charge of Sewage Line-related Business Division</p> <p>June 2014 Chairman and Director of NIPPON HUME ENGINEERING CORPORATION</p> <p>June 2015 Senior Managing Director, General Manager of Internal Audit Office and Administration Division, in charge of International Business Division, in charge of Real Estate & Environmental Business Division</p> <p> Outside Corporate Auditor of DC Co., Ltd. (to present)</p> <p>June 2016 Senior Managing Director, General Manager of Internal Audit Office and Administration Division, General Manager of Real Estate & Environmental Business Division, in charge of International Business Division (to present)</p>	15,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
4	Hirokuni Endou (October 3, 1955)	<p>April 1980 Joined the Company</p> <p>December 2006 General Manager of Fukuoka Branch</p> <p>June 2011 Deputy Director, General Manager of Fukuoka Branch</p> <p>June 2012 Deputy Director, General Manager of Osaka Branch</p> <p>June 2013 Director, General Manager of Tokyo Branch President and Representative Director of TOHO HUME PIPES CORPORATION</p> <p>March 2015 Outside Director of NIPPON JOGESUIDO SEKKEI CO., LTD. (current NJS Co., Ltd.) (to present)</p> <p>June 2015 Director, General Manager of Sales Division, in charge of Sewage Line-related Business Division (to present)</p> <p>June 2016 Outside Corporate Auditor of ASAHI CONCRETE WORKS CO., LTD. (to present)</p>	4,000
5	Masahiro Asazuma (March 20, 1959)	<p>April 1982 Join the Company</p> <p>April 2006 General Manager of Amagasaki Factory</p> <p>April 2010 General Manager of Kumagaya Factory</p> <p>June 2013 Director, General Manager of Technology Department and Construction Technology Department</p> <p>June 2014 Director, General Manager of Construction Business Division and Technology Department</p> <p>June 2015 Director, General Manager of Safety Management Department and Technology Division, General Manager of Construction Business Division, General Manager of Technology Department, General Manager of Production Department, General Manager of Quality Management Department, in charge of Technology Research Laboratory</p> <p>June 2016 Director, General Manager of Technology Division and Construction Business Division, in charge of Safety Management Department and Technology Research Laboratory (to present)</p>	7,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
6	Tomoyuki Masubuchi (November 6, 1964)	February 1992 Joined the Company April 2011 General Manager of Corporate Planning Department June 2013 Outside Director of ASAHI CONCRETE WORKS CO., LTD. June 2014 Director, General Manager of Corporate Planning Department June 2015 Corporate Auditor of ASAHI CONCRETE WORKS CO., LTD. June 2016 Director, General Manager of General Administrative Department and Corporate Planning Department (to present) March 2017 Outside Corporate Auditor of NJS Co., Ltd. (to present)	7,000
7	Masataka Ohashi (May 19, 1954)	April 1974 Joined the Company June 2007 General Manager of Sapporo Branch June 2011 Deputy Director, General Manager of Sapporo Branch June 2015 Director, General Manager of Tokyo Branch (to present)	4,700
*8	Keiichi Toyama (July 4, 1953)	June 1999 Joined the Company October 2008 General Manager of Sales Department of Osaka Branch June 2011 Deputy Director, Deputy General Manager and General Manager of Sales Department of Osaka Branch June 2012 Deputy Director, General Manager of Fukuoka Branch June 2015 Management Officer, General Manager of Fukuoka Branch June 2016 Management Officer, General Manager of Osaka Branch and Fukuoka Branch (to present)	5,000

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (Significant concurrent positions)	Number of the Company's shares held
9	Tomoki Suzuki (November 15, 1949)	<p>May 1969 Joined Metropolitan Police Department</p> <p>March 2006 Chief of the 5th Area Headquarters of Metropolitan Police Department</p> <p>February 2008 Chief of the 8th Area Headquarters and Director of Police Administration Department of Metropolitan Police Department</p> <p>April 2009 Advisor of Meiji Yasuda Life Insurance Company</p> <p>April 2015 Advisor</p> <p>June 2015 Outside Director (to present)</p> <p>Outside Auditor of ALPHA Corporation (to present)</p>	0
10	Katsuji Urakami (July 15, 1945)	<p>April 1970 Joined ASAHI CONCRETE WORKS CO., LTD.</p> <p>June 2001 Director of ASAHI CONCRETE WORKS CO., LTD.</p> <p>June 2007 Managing Director of ASAHI CONCRETE WORKS CO., LTD.</p> <p>June 2012 President and Representative Director of ASAHI CONCRETE WORKS CO., LTD.</p> <p>June 2015 Full-time Corporate Auditor of ASAHI CONCRETE WORKS CO., LTD. (to present)</p> <p>Outside Director (to present)</p>	0

(Notes) 1. There are no special interests between each candidate and the Company.

2. * indicates a new candidate for Director.

3. Messrs. Tomoki Suzuki and Katsuji Urakami are candidates for Outside Directors.

4. Reasons for the election of Messrs. Tomoki Suzuki and Katsuji Urakami as candidates for Outside Directors are as follows:

Mr. Tomoki Suzuki possesses considerable knowledge and experience accumulated over many years serving in the Metropolitan Police Department. Mr. Suzuki is expected to provide useful advice on the Company's management mainly from the perspective of compliance. Therefore, the Company believes that Mr. Suzuki is appropriate as an Outside Director of the Company. Although Mr. Suzuki has not been directly involved in the management of a company, the Company believes that Mr. Suzuki is capable of executing duties as an Outside Director for the reasons stated above.

Mr. Katsuji Urakami has been involved in the management of a company for many years and possesses considerable experience and insight as a corporate manager. In addition, Mr. Urakami is familiar with the concrete product industry associated with the Company. Therefore, the Company believes that Mr. Urakami is appropriate as an Outside Director of the Company.

5. Messrs. Tomoki Suzuki and Katsuji Urakami are the current Outside Directors of the Company and will have served as Outside Directors for two years at the conclusion of this General Meeting of Shareholders.

6. Mr. Katsuji Urakami's positions and responsibilities as an executive at present and for the past five years at ASAHI CONCRETE WORKS CO., LTD., which is a specified associated service provider to the Company, are shown in the section of "Career summary, positions and responsibilities at the Company."

7. An outline of a limited liability agreement with Outside Directors is as follows:

The Company has entered into a limited liability agreement with Messrs. Tomoki Suzuki and Katsuji Urakami to limit their liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is ¥10 million or the minimum liability amount stipulated by laws and regulations, whichever is the greater. If the reelection of Messrs. Suzuki and Urakami is approved, the Company intends to

continue said agreement with each of them.

8. The Company has registered Messrs. Tomoki Suzuki and Katsuji Urakami as Independent Directors pursuant to the provisions of the Tokyo Stock Exchange. If the reelection of Messrs. Suzuki and Urakami is approved, the Company intends to continue to register them as Independent Directors.

Proposal 3: Continuation of Countermeasures against Large-scale Purchases of the Company's Shares (Takeover Defense Measures)

The Company introduced "Countermeasures against Large-scale Purchases of the Company's Shares (Takeover Defense Measures)" at the Board of Directors Meeting held on March 21, 2008, and received approval by shareholders at the 125th Annual General Meeting of Shareholders held in June 2008. The countermeasures, which are continued with the recent resolution at the 131st Annual General Meeting of Shareholders held in June 2014 (hereinafter, the "Current Plan"), will expire at the conclusion of the 134th Annual General Meeting of Shareholders (hereinafter, the "General Meeting of Shareholders").

Even after the continuation of the Current Plan, the Company has been examining its concept, as well as its continuation, as part of efforts to ensure and enhance the corporate value of the Company and shareholders' common interests, taking into account factors such as changes in social and economic circumstances, various trends and progress of various discussions regarding takeover defense measures, and the purpose of corporate governance code.

As a result, it was resolved to continue the countermeasures subject to the approval of shareholders at the General Meeting of Shareholders (hereinafter the "Plan" for countermeasures after the continuation) at the Company's Board of Directors Meeting held on May 25, 2017, with the attendance of all nine (9) Directors of the Company including two (2) Outside Directors. The Plan is part of efforts to prevent decisions on the Company's financial and business policies from being controlled by inappropriate persons in light of the "basic policies related to the way a person is to control the decisions on the financial and business policies of the stock company" prescribed in Article 118, Item 3 of the Ordinance for Enforcement of the Companies Act (hereinafter the "Basic Policies on Control of the Company"). Therefore, the Company asks for approval on this proposal.

Major changes in the Plan from the Current Plan are as follows:

- The maximum period is set for the Company's Board of Directors to request additional information in addition to necessary information provided by the large-scale purchaser.
- It is clarified that delivery of cash is not expected as a consideration for the acquisition of stock acquisition rights held by the large-scale purchaser in the event that stock acquisition rights are allocated without charge as a countermeasure against the large-scale purchase.
- Other changes have been made such as revising words and rearranging phrases.