

(Translation)

Securities Code: 5262

June 14, 2016

To Shareholders with Voting Rights:

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

**NOTICE OF CONVOCATION OF
THE 133RD 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 133rd 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 by no later than 5:20 p.m. Japan time on Tuesday, June 28, 2016.

- 1. Date and Time:** Wednesday, June 29, 2016 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
(Please see the General Meeting of Shareholders’ Location Map at the end of this notice of convocation.)
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated Financial Statements for the 133rd Fiscal Year (April 1, 2015 to March 31, 2016), 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 133rd Fiscal Year (April 1, 2015 to March 31, 2016)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Four (4) Audit & Supervisory Board Members

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.

Under this basic policy, the Company is scheduled to pay the year-end dividend as described below. The Company has secured an increase in non-consolidated financial results for the fiscal year under review, despite the impact on consolidated financial results for the fiscal year under review of “negative goodwill” arising from the acquisition of shares and foreign exchange gains in the previous fiscal year.

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: ¥419,820,480

3) Effective date for dividends from surplus

June 30, 2016

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 Four (4) Audit & Supervisory Board Members

The terms of office of all four (4) Audit & Supervisory Board Members will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes the election of four (4) Audit & Supervisory Board Members.

The Audit & Supervisory Board has given its approval to this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary and positions at the Company (Significant concurrent positions)	Number of the Company's shares held
*1	Hirokazu Suzuki (March 4, 1965)	April 1987 Joined the Company April 2010 General Manager of General Administrative Department and Real Estate & Environmental Business Division April 2011 General Manager of General Administrative Department and Real Estate & Environmental Business Division June 2014 President and Representative Director of ENVIROMENT IMPROVEMENT PLANNING Co., Ltd. (to present) June 2015 Management Officer, General Manager of General Administrative Department and Real Estate & Environmental Business Division (to present)	3,500

No.	Name (Date of birth)	Career summary and positions at the Company (Significant concurrent positions)	Number of the Company's shares held
2	Yoshihide Shimoyama (April 24, 1951)	<p>April 1976 Joined Nihon Cement Co., Ltd. (current Taiheiyo Cement Corporation)</p> <p>September 1997 Chief Researcher of Cement & Concrete Research Department, Central Research Laboratory, Nihon Cement Co., Ltd.</p> <p>October 1998 Group Leader of Sakura Research Laboratory No. 4 Group, Research Division, Nihon Cement Co., Ltd.</p> <p>April 2004 General Manager of Technology Planning Department, Central Research Laboratory, Nihon Cement Co., Ltd.</p> <p>March 2008 President and Representative Director of Taiheiyo Consultant Co., Ltd.</p> <p>April 2008 Advisor of Taiheiyo Cement Corporation</p> <p>June 2008 Outside Audit & Supervisory Board Member of the Company (to present)</p>	0

No.	Name (Date of birth)	Career summary and positions at the Company (Significant concurrent positions)	Number of the Company's shares held
3	Mamoru Hara (August 14, 1946)	<p>April 1970 Joined Tokyo Electron Limited</p> <p>October 1985 General Manager of Administration Department, Tokyo Electron Limited</p> <p>October 1988 Director of TEL Yamanashi Limited (current Tokyo Electron AT Limited)</p> <p>October 1989 General Manager of General Affairs Department, General Manager of Yokohama Office, Tokyo Electron Limited</p> <p>December 1989 Director of Tokyo Electron Limited</p> <p>April 1996 Senior Managing Director of Tokyo Electron Tohoku Limited</p> <p>June 1996 Resigned from Director of Tokyo Electron Limited</p> <p>March 1999 Representative Director and President of Tokyo Electron EE Limited</p> <p>July 2001 Representative Director and Chairman of the Board of Tokyo Electron Device Limited</p> <p>February 2002 Representative Director and President of Tokyo Electron AT Limited</p> <p>June 2002 Director of Tokyo Electron Limited</p> <p>April 2003 Director, Executive Vice President in charge of Administration Department, Tokyo Electron Limited</p> <p>June 2003 Representative Director and Executive Vice President, Tokyo Electron Limited</p> <p>March 2005 Director of Tokyo Electron Limited</p> <p>December 2005 Outside Director of CMIC Co., Ltd. (current CMIC Holdings Co., Ltd.) (to present)</p> <p>June 2010 Full-time Audit & Supervisory Board Member of Tokyo Electron Limited</p> <p>June 2012 Outside Audit & Supervisory Board Member of the Company (to present)</p>	0

No.	Name (Date of birth)	Career summary and positions at the Company (Significant concurrent positions)	Number of the Company's shares held
*4	Torao Yamakawa (November 27, 1952)	<p>April 1975 Joined The Dai-Ichi Kangyo Bank, Ltd (current Mizuho Bank, Ltd.)</p> <p>July 1997 General Manager of Ebara Branch, The Dai-Ichi Kangyo Bank, Ltd</p> <p>October 1999 Credit Officer of Credit Department No. 2, The Dai-Ichi Kangyo Bank, Ltd</p> <p>July 2001 General Manager of Okachimachi Branch, The Dai-Ichi Kangyo Bank, Ltd</p> <p>April 2002 General Manager of Okachimachi Branch, Mizuho Bank, Ltd.</p> <p>April 2003 General Manager of Kawasaki Branch, Mizuho Bank, Ltd.</p> <p>May 2004 General Manager of Kawasaki Branch and Kawasaki Chuo Branch, Mizuho Bank, Ltd.</p> <p>April 2005 Executive Officer, General Manager of Kawasaki Branch and Kawasaki Chuo Branch, Mizuho Bank, Ltd.</p> <p>May 2005 Executive Officer, General Manager of Kawasaki Branch, Mizuho Bank, Ltd.</p> <p>October 2005 Executive Officer, General Manager of Nihonbashi Branch, Mizuho Bank, Ltd.</p> <p>April 2007 Advisor of Orient Corporation</p> <p>June 2007 Managing Executive Officer of Orient Corporation</p> <p>June 2012 Vice President and Representative Director of Heart Agency Co., Ltd.</p> <p>June 2013 President and Representative Director of Heart Agency Co., Ltd. (to present)</p>	0

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

2. * indicates a new candidate for Audit & Supervisory Board Member.

3. Of the aforementioned candidates, Messrs. Yoshihide Shimoyama, Mamoru Hara and Torao Yamakawa are candidates for Outside Audit & Supervisory Board Members. If the election of Mr. Torao Yamakawa is approved, the Company intends to register him as an Independent Audit & Supervisory Board Member with the Tokyo Stock Exchange.

4. Matters concerning Outside Audit & Supervisory Board Members are as follows:

(1) Reasons for the election of candidates for Outside Audit & Supervisory Board Members

Mr. Yoshihide Shimoyama possesses considerable insight and experience in corporate management and other areas. The Company believes that Mr. Shimoyama is appropriate as an Outside Audit & Supervisory Board Member of the Company, and therefore it proposes the election of Mr. Shimoyama.

Mr. Mamoru Hara possesses abundant experience and knowledge acquired through his career in corporate management for many years. The Company believes that Mr. Hara is appropriate as an Outside Audit & Supervisory Board Member of the Company, and therefore it proposes the election of Mr. Hara.

Mr. Torao Yamakawa possesses abundant experience and achievements as well as considerable knowledge in areas such as the financial sector and corporate management. The Company believes that Mr. Yamakawa is appropriate as an Outside Audit & Supervisory Board Member of the Company, and therefore it proposes the election of Mr. Yamakawa.

(2) The number of years in office of candidates for Outside Audit & Supervisory Board Members

Mr. Yoshihide Shimoyama will have served as an Audit & Supervisory Board Member for eight years at the conclusion of this General Meeting of Shareholders.

Mr. Mamoru Hara will have served as an Audit & Supervisory Board Member for four years at the conclusion of this General Meeting of Shareholders.

5. Mr. Hirokazu Suzuki will retire from the position as President and Representative Director of ENVIROMENT IMPROVEMENT PLANNING Co., Ltd. at the conclusion of the company's Annual General Meeting of Shareholders to be held in late June 2016.
6. An outline of a limited liability agreement with Audit & Supervisory Board Members is as follows:

The Company stipulates provisions in its Articles of Incorporation to the effect that the Company can enter into a limited liability agreement with each Audit & Supervisory Board Member so that the Audit & Supervisory Board Members can fully perform their expected roles. Accordingly, the Company has entered into the agreement with each Audit & Supervisory Board Member. If the election of candidates for Audit & Supervisory Board Members is approved, the Company intends to enter into the limited liability agreement to limit their liability for damages with each of them pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is ¥5 million or the minimum liability amount stipulated by laws and regulations, whichever is the greater.