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In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

Securities code: 4549

June 2, 2016

To Shareholders:

Morifumi Wada
President & CEO
EIKEN CHEMICAL CO., LTD.
19-9, Taito 4-chome, Taito-ku,
Tokyo 110-8408, Japan

**NOTICE OF CONVOCATION OF
THE 78th GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 78th General Meeting of Shareholders of EIKEN CHEMICAL CO., LTD. (“the Company”) to be held as described hereunder.

If you are unable to attend the meeting in person, you may exercise your voting rights either in writing or electromagnetically (e.g. via the Internet). Please examine the attached Reference Documents for the General Meeting of Shareholders, review the “Instructions for the Exercise of Voting Rights in writing or via the Internet” on page 3 to 4 and exercise your voting rights by 5:30 p.m. on Tuesday, June 21, 2016 (Japan Standard Time.)

Meeting Details

1. Date and Time: Wednesday, June 22, 2016 at 10:00 a.m. (Japan Standard Time)

2. Venue: **Kujaku-no-Ma, 2nd Floor of Ochanomizu Hotel Juraku
9, KandaAwaji-cho 2-chome, Chiyoda-ku, Tokyo, Japan**

3. Purposes:

Items to be reported:

1. Business Report, Consolidated Financial Statements, and Audit Reports for Consolidated Financial Statements by the Accounting Auditor and the Audit Committee, for the 78th fiscal year (from April 1, 2015 to March 31, 2016)
2. Non-consolidated Financial Statements for the 78th fiscal year (from April 1, 2015 to March 31, 2016)

Items to be resolved:

- Proposal No. 1:** Partial Amendments to the Articles of Incorporation
Proposal No. 2: Election of seven (7) Directors

Notes: 1. You are kindly requested to present the enclosed Voting Form to the receptionist when you attend the Meeting.

2. If any changes have been made to items in the Reference Documents for the General Meeting of

Shareholders, Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, such changes will be posted on the Company's website (in Japanese only).

3. Because the Notes to Consolidated Financial Statements and the Notes to Non-consolidated Financial Statements, which must be provided at the time of providing this Notice of Convocation, are posted on the Company's website (in Japanese only) in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, they are not provided in the attached documents to this Notice.

Accordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit Committee for the audit report and the Accounting Auditor for the accounting audit report include, in addition to the attached documents to this Notice, items to be presented as the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements.

The Company's website (English)	www.eiken.co.jp/en/index.html
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Instructions for the Exercise of Voting Rights in writing or via the Internet

<Exercise of Voting Rights in writing>

Please indicate your approval or disapproval on the enclosed Voting Form, and return the form to us to arrive no later than 5:30 p.m. on Tuesday, June 21, 2016 (Japan Standard Time.)

<Exercise of Voting Rights via the Internet>

1. Website for exercising voting rights

(1) You can only exercise your voting rights via the Internet by accessing the Company's designated voting website (<http://www.evotep.jp/>) (in Japanese only) from a personal computer, smartphone, or cellular phone (i-mode, EZweb, or Yahoo! Keitai)*. (Please note that the website is not available daily from 2:00 a.m. to 5:00 a.m.)

*"i-mode" is a trademark or registered trademark of NTT DoCoMo, Inc.; "EZweb" of KDDI Corporation; and "Yahoo!" of Yahoo! Inc. in the U.S.

(2) Please note that if you use a firewall, have antivirus software installed, use a proxy server, or do not use TLS encrypted communication, etc., you may not be able to exercise your voting rights from a personal computer or smartphone.

(3) To exercise your voting rights from a cellular phone, you must be able to use i-mode, EZweb, or Yahoo! Keitai. For security reasons, the website is only compatible with cellular phones capable of TLS encrypted communication and transmission of its cellular phone information.

(4) Voting via the Internet is accepted until 5:30 p.m. on Tuesday, June 21, 2016 (Japan Standard Time). However, we respectfully request that you exercise your voting rights at your earliest convenience. If you have any questions, please contact the help desk on page 4.

2. How to exercise your voting rights via the Internet

(1) On the aforementioned voting website, you will be required to input the "Code for Exercise of Voting Rights" and the "temporary password" assigned to you. These are shown on the enclosed Voting Form. Please follow the instructions on the screen and indicate your approval or disapproval.

(2) Please note that, in order to prevent illegal online access (spoofing) and alteration of voting by non-shareholders, you will be requested to change your "temporary password" on the aforementioned voting website.

(3) You will be notified of a new "Code for Exercise of Voting Rights" and the "temporary password" every time a General Meeting of Shareholders is convened.

3. Handling of voting rights when they are exercised more than once

(1) Please note that your voting via the Internet shall prevail, if you exercise your voting rights both in writing and via the Internet.

(2) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.

4. Fees incurred when accessing the voting rights website

Any fees (connection fees to Internet providers, etc.) incurred when accessing the voting website shall be borne by shareholders. Similarly, if voting via a cellular phone, etc., any connection charges or other fees arising from the use of cellular phone, etc. shall be borne by shareholders.

Inquiries about the system for exercising
voting rights via the Internet and other matters

Stock Transfer Agency (Help Desk),
Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027
(9:00 a.m. to 9:00 p.m.; toll free within Japan)

Electronic voting platform

Institutional investors may also use the “Electronic Voting Platform” operated by ICJ, Inc. as a method for exercising their voting rights electromagnetically.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendment

The “Act for Partial Revision of the Companies Act” (Act No. 90 of 2014) came into force on May 1, 2015, and the conclusion of limited liability agreements between the Company and Directors not serving concurrently as Executive Officers has been newly allowed.

Accordingly, to ensure that these Directors not serving concurrently as Executive Officers can adequately fulfil the role expected of them, the Company plans to make partial amendments to Article 27, paragraph 2 of the current Articles of Incorporation.

2. Details of Amendment

Details of the amendments are stated below.

(Underlined portions are amended.)

Current Articles of Incorporation	Proposed Amendments
Chapter 4. Directors and Board of Directors (Exemption from Liability of Directors) Article 27. 1. (Omitted)	Chapter 4. Directors and Board of Directors (Exemption from Liability of Directors) Article 27. 1. (Unchanged)
2. The Company and <u>an Outside Director</u> may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, paragraph 1 of the Companies Act, enter into an agreement which limits the liability of the Outside Director; provided, however, that the limit of the liability under such agreements shall be the greater of (a) the amount predetermined, which shall be ¥10 million or more, or (b) the minimum amount of liability prescribed by laws and regulations.	2. The Company and <u>a Director (excluding Executive Directors, etc.)</u> may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, paragraph 1 of the Companies Act, enter into an agreement which limits the liability of the Outside Director; provided, however, that the limit of the liability under such agreements shall be the greater of (a) the amount predetermined, which shall be ¥10 million or more, or (b) the minimum amount of liability prescribed by laws and regulations.

Proposal No. 2: Election of seven (7) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of seven (7) Directors based on the decision made by the Nominating Committee.

The candidates for Directors to be elected are as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
1	Tetsuya Teramoto (September 28, 1947)	<p>March 1970 Joined the Company</p> <p>April 1996 Executive Manager, Research and Development Department of the Company</p> <p>June 1996 Director of the Company (to present)</p> <p>June 2002 Executive Manager, Marketing Department of the Company</p> <p>June 2005 Managing Executive Officer, In charge of Sales, Executive Manager, Sales Department & Executive Manager, Marketing Department of the Company</p> <p>June 2006 Senior Managing Executive Officer of the Company</p> <p>April 2007 President & CEO of the Company</p> <p>January 2008 President & Representative Director of EIKEN CHINA CO. LTD.</p> <p>June 2014 Chairman of the Board of the Company (to present)</p>	6,600
		<p>(Responsibility)</p> <p>Member of Nominating Committee, Remuneration Committee, (Important concurrent positions)</p> <p>Chairman, Japan Association of Clinical Reagents Industries Outside Corporate Auditor, TOSOH CORPORATION</p>	
<p><Reasons for nomination as candidate for Director></p> <p>Mr. Tetsuya Teramoto is responsible for the management of the Company over many years and working on improving corporate value as a Director and Chairman of the Board. He is a candidate for continuing as a Director of the Company with the expectation that he will leverage his broad experience and substantial track record to oversee the execution of duties of other executive officers and make appropriate decisions.</p>			
2	Morifumi Wada (October 8, 1954)	<p>March 1978 Joined the Company</p> <p>April 2005 General Manager, Production Planning, Production Control Department & Head of Procurement Department of the Company</p> <p>June 2006 Executive Officer of the Company</p> <p>April 2007 Factory Manager, Nogi Factory, Production Control Department of the Company</p> <p>May 2007 Factory Manager, Togane Factory, Production Control Department of the Company</p> <p>April 2011 Managing Executive Officer of the Company</p> <p>June 2011 Director of the Company (to present)</p> <p>April 2012 Executive Manager, Sales Department of the Company</p> <p>June 2014 President & CEO of the Company (to present)</p>	200
		<p>(Responsibility)</p> <p>Member of Nominating Committee, Remuneration Committee</p>	
<p><Reasons for nomination as candidate for Director></p> <p>Mr. Morifumi Wada is responsible for the management of the Company and working on improving corporate value as President & CEO. He is a candidate for continuing as President & CEO of the Company with the expectation that he will provide appropriate explanation of matters to be resolved and reported at Board of Directors' meetings and perform the duties of making key management decisions and supervising business execution to the highest standards.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
3	Candidate for Outside Director Takehisa Irisawa (June 1, 1965)	<p>October 2002 Registered as attorney-at-law (to present) Partner, Irisawa Law Office</p> <p>June 2008 Director of the Company (to present)</p> <p>June 2008 Outside Corporate Auditor, MEISEI ELECTRIC CO., LTD. (to present)</p> <p>(Responsibility) Member of Nominating Committee, Remuneration Committee, Audit Committee</p>	—
<p><Reasons for nomination as candidate for Outside Director> Mr. Takehisa Irisawa is an attorney-at-law. The Company has selected him as a candidate for Outside Director again because, although he has not been directly involved in company management, he can be expected to supervise the management of the Company, utilizing his knowledge and experience as a specialist of law gained through his career. Mr. Irisawa satisfies the Company's "Standards for the Independence of Outside Directors" provided for by its Nominating Committee. His consecutive term of office as Outside Director will be eight years at the conclusion of this General Meeting of Shareholders.</p>			
4	Candidate for Outside Director Kunio Uchiyamada (January 8, 1951)	<p>April 1975 Joined National Police Agency</p> <p>August 1998 Section Chief, Foreign Affairs Division, Security Bureau, National Police Agency</p> <p>August 2002 Chief Controller, National Police Agency</p> <p>June 2003 Head, Police Headquarters, Hiroshima Prefecture</p> <p>January 2006 Director-General, Kanto regional police bureau</p> <p>February 2007 President of National Police Academy</p> <p>March 2008 Retired from President of National Police Academy</p> <p>April 2008 Standing Corporate Advisor, Kobe Steel, LTD.</p> <p>April 2008 Corporate Advisor, SINFONIA TECHNOLOGY CO., LTD. (to present) (scheduled to retire on September 30, 2016)</p> <p>July 2011 Part-time Executive Director, The Association for the Study of Security Science</p> <p>April 2012 Part-time Executive Director, The Nikkoso Foundation for Safe Society</p> <p>June 2015 Director of the Company (to present)</p> <p>April 2016 Corporate Advisor, Kobe Steel, LTD. (to present) (scheduled to retire on September 30, 2016)</p> <p>(Responsibility) Member of Audit Committee</p>	—
<p><Reasons for nomination as candidate for Outside Director> The Company has selected Mr. Kunio Uchiyamada as a candidate for Outside Director again because, although he has not been directly involved in company management, he can be expected to supervise the management of the Company, utilizing his professional knowledge and experience in compliance- or risk management-related matters gained through his career. He satisfies the Company's "Standards for the Independence of Outside Directors" provided for by its Nominating Committee. His consecutive term of office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
5	Candidate for Outside Director Shigeru Nomura (September 11, 1952)	November 1975 Joined Tokyo Office, Ernst & Whinney (currently Ernst & Young) February 1979 Registered as Certified Public Accountant (to present) April 1988 Partner, Ernst & Young Tax Office (currently Ernst & Young Tax Co.) December 1999 Representative Partner, Ernst & Young Tax Co. July 2011 Practicing Shigeru Nomura Public Accountant Office (to present) April 2012 Auditor, K-GOLD INTERNATIONAL CORPORATION (to present) July 2012 Supervisor, View Communications (to present) September 2014 Supervisory Officer, Sekisui House Reit, Inc. (to present) June 2015 Director of the Company (to present) (Responsibility) Member of Nominating Committee, Remuneration Committee, Audit Committee	—
<Reasons for nomination as candidate for Outside Director> Mr. Shigeru Nomura is a certified public accountant. The Company has selected him as a candidate for Outside Director again because he can be expected to supervise the management of the Company, utilizing his professional knowledge and experience in finance and accounting, which he has gained through his career. He satisfies the Company's "Standards for the Independence of Outside Director" provided for by its Nominating Committee. His consecutive term of office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.			
6	Candidate for Outside Director Yukiya Hakozaki (October 17, 1954)	June 1983 Japan Self Defense Forces Fuji Hospital August 1987 Medical Director Gastroenterological Medicine, Japan Self Defense Forces Central Hospital October 1997 Section Chief, Research and Examination Department General Manager, Endoscope Office August 2000 Director, First Section, Department of Internal Medicine and Chief of Health Care Center, JSDF Hanshin Hospital August 2004 Medical officer, Overseeing and Directing Department, JGSDF Western Army December 2006 Head of Internal Medicine, First Section, Self Defense Forces Central Hospital, (Medical treatment secretary) October 2014 Retired November 2014 President, Genkikai-Yokohama Hospital (Medical Corporation) (to present) June 2015 Director of the Company (to present) (Responsibility) Member of Nominating Committee, Remuneration Committee, Audit Committee	—
<Reasons for nomination as candidate for Outside Director> Mr. Yukiya Hakozaki is a medical doctor. The Company has selected him as a candidate for Outside Director again because, although he has not been directly involved in company management, he can be expected to supervise the management of the Company, utilizing his professional knowledge, experience and profound insight as a medical doctor gained through his career. He satisfies the Company's "Standards for the Independence of Outside Directors" provided for by its Nominating Committee. His consecutive term of office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
*7	Candidate for Outside Director Atsuoh Katsumata (September 28, 1947)	<p>April 1972 Joined Tokyo Electric Power Company, Incorporated</p> <p>June 1999 General Manager of Tokyo Branch and Ueno Branch, Tokyo Electric Power Company, Incorporated</p> <p>June 2003 President, Hikari Network Company President of Head Office, Tokyo Electric Power Company, Incorporated</p> <p>June 2004 Executive Officer, Hikari Network Company President of Head Office, Tokyo Electric Power Company, Incorporated</p> <p>June 2006 Senior Managing Director, TOKO ELECTRICAL CONSTRUCTION CO., LTD. (currently TAKAOKA TOKO CO., LTD.)</p> <p>June 2007 Representative Director and Senior Executive Director, TOKO ELECTRICAL CONSTRUCTION CO., LTD.</p> <p>June 2012 Corporate Advisor, TOKO ELECTRICAL CONSTRUCTION CO., LTD.</p> <p>July 2014 Corporate Advisor, YDK Communications Co., Ltd.</p> <p>March 2015 Representative Director, Evergreen Energy Initiative Co., Ltd. (to present)</p> <p>June 2015 Part-time Director, YDK Co., Ltd. (to present)</p>	—
<p><Reasons for nomination as candidate for Director> As stated in his career summary, Mr. Atsuoh Katsumata played a major role in the spread of optical networks in Japan over many years in senior management of communications companies and is still active in corporate management. He has also an expert on doing business in China, involved in quality improvement of the electric power business and starting up the ultra-high-voltage equipment business in China. The Company has selected Mr. Katsumata as a candidate for Outside Director, because he can be expected to oversee management based on his extensive knowledge acquired in his career to date. Mr. Katsumata satisfies the Company's "Standards for the Independence of Outside Directors" provided for by its Nominating Committee.</p>			

- Notes:
1. A candidate with an asterisk (*) indicates that he is newly selected.
 2. The Company has advisory contracts with other attorneys-at-law who belong to the Irisawa Law Office to which Mr. Takehisa Irisawa belongs. However, the agreement amount is less than 4.8 million yen a year, and thus Mr. Irisawa satisfies the Company's "Standards for the Independence of Outside Directors" provided for by its Nominating Committee.
 3. There are no conflicts of interest between the Company and other candidates for Directors.
 4. Messrs. Takehisa Irisawa, Kunio Uchiyamada, Shigeru Nomura, Yukiya Hakozaki, and Atsuoh Katsumata are candidates for Outside Directors as provided for in Article 2, paragraph 3, item 7 of the Ordinance for Enforcement of the Companies Act.
 5. The Company designated Messrs. Takehisa Irisawa, Kunio Uchiyamada, Shigeru Nomura, and Yukiya Hakozaki as Independent Directors as provided for by the regulations of the Tokyo Stock Exchange, and registered them with the Exchange. In case the reelection of the four candidates is approved, they will continue to be Independent Directors.
Also, in case the election of Mr. Atsuoh Katsumata is approved, he will be an Independent Director as provided for by the regulations of the Tokyo Stock Exchange.
 6. Independence of candidates for Outside Directors
 - (1) None of the candidates for Outside Directors has ever executed operations at the Company or any entity that has special relationship with the Company.
 - (2) None of the candidates for Outside Directors has ever received or plan to receive a large amount of money or other assets except Director's remuneration from the Company or any entity that has special relationship with the Company.
 - (3) None of the candidates for Outside Director has a spouse or any relatives within the third degree

or closer with business executors of the Company or any entity that has special relationship with the Company.

7. Overview of the content of limited liability agreements

In order to attract appropriate personnel as Outside Director, the Company included provisions in the Article of Incorporation in accordance with Article 427, paragraph 1 of the Companies Act which limits the liability for damages set forth in Article 423, paragraph 1 of the Companies Act, and the Company concluded a limited liability agreement with Messrs. Takehisa Irisawa, Kunio Uchiyamada, Shigeru Nomura and Yukiya Hakozaki based on the provisions.

In case the reelection of the four candidates is approved, the Company will maintain the contract with them to limit their liability. Also, if the election of Mr. Atsuoh Katsumata is approved, the Company will newly conclude the same agreement with him.

In addition, if Mr. Tetsuya Teramoto is reelected as a Director and the Proposal No. 1 “Partial Amendments to the Articles of Incorporation” is approved as proposed, the Company intends to conclude the same agreement with Mr. Teramoto, who will be a Non-Executive Director.

The limit of the liability under such agreements shall be the greater of (a) ¥10 million or (b) the minimum amount of liability prescribed by Article 425, paragraph 1 of the Companies Act.

<Reference>

Established on March 12, 2015

[Standards for the Independence of Outside Directors]

In order for the Outside Directors of the Company to be recognized as independent, they should not fall under any of the following categories.

1. Any person who does not fall under legal stipulations
2. Any person whose major business partner is the Company (any person who received a payment from the Company an amount 2% or more of the person's annual consolidated sales for the most recent business year, or 100 million yen a year, whichever is greater)
3. Any person who is a major business partner of the Company (any person who paid the Company an amount equivalent to 2% or more of the Company's annual consolidated sales for the most recent business year, or any person who provided the Company with a loan of an amount equivalent to 2% or more of the Company's consolidated total assets for the business year)
4. Any consultant, accounting expert such as certified public accountant, legal expert such as attorney-at-law, or other expert who receives money or other assets exceeding a certain amount (Note 1) from the Company, in addition to his or her remuneration as a Director
5. Any person who receives donations or subsidies exceeding a certain amount (Note 1) from the Company
6. Major shareholders of the Company (who hold more than 10% of the total number of voting rights of the Company directly or indirectly)
7. Any person who belongs to an auditing firm who conducts audit of the Company
8. If a business executive (Note 2) for the Company is currently holds or held a position as Outside Director at another company, any person who is a business executive (Note 2) of that company
9. If a person falling under one of the categories listed in the above items 2 through 6 is a corporation, association or other organization, any person who is a business executive (Note 2) of that corporation, association or other organization
10. Any person falling under one of the categories listed in the above items 2 through 9 in the past 3 years
11. If a person falling under one of the categories listed in the above items 2 through 10 is an important person (Note 3), that person's spouse or family within the second degree of kinship

- Notes:
- 1: Where it reads "certain amount," this means "10 million yen a year."
 - 2: Where it reads "business executive," this means "Director (excluding Outside Director), Executive Officer, Operating Officer, employees who execute the Company's business, Associate Director (excluding Outside Associate Director), and other similar managerial staff and employees, etc. who performs job duties."
 - 3: Where it reads "important person," this means "Director, Executive Officer, Operating Officer, and other important employee."