

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Securities Code: 3103)

June 5, 2019

To our shareholders:

Hiroyuki Shime,
Representative Director and President
UNITIKA LTD.
1-50 Higashi-Honmachi, Amagasaki-shi,
Hyogo
(Osaka Headquarters)
4-1-3 Kyutaro-machi, Chuo-ku, Osaka

Notice of the 209th Annual General Meeting of Shareholders

You are cordially invited to attend the 209th Annual General Meeting of Shareholders (the “Meeting”) of UNITIKA LTD. (the “Company”), which will be held as indicated below.

If you are unable to attend the Meeting in person, you can exercise your voting rights using any of the following methods. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting right before Wednesday, June 26, 2019, at 6:00 p.m. (JST).

[Exercise of voting rights via postal mail]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received by the aforementioned exercise deadline.

[Exercise of voting rights via the internet]

Please access the website for the exercise of voting rights (<https://evote.tr.mufg.jp/>) designated by the Company, then input your approval or disapproval of the proposals by the aforementioned exercise deadline (in Japanese only).

- 1. Date and Time:** Thursday, June 27, 2019, at 10:00 a.m. (JST) (Doors open at 9:00 a.m.)
- 2. Venue:** Large meeting room, New building 7F, Nihon mengyo Club (Mengyo Kaikan)
2-5-8 Bingo-machi, Chuo-ku, Osaka

3. Purpose of the Meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 209th fiscal year (from April 1, 2018 to March 31, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 209th fiscal year (from April 1, 2018 to March 31, 2019)

Matters to be resolved

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Partial Amendments to the Articles of Incorporation

Proposal No. 3: Election of Four (4) Directors

Proposal No. 4: Election of Two (2) Audit & Supervisory Board Members

Proposal No. 5: Election of One (1) Substitute Audit & Supervisory Board Member

4. Matters relating to Exercise of Voting Rights

- (1) Please note that your voting via the internet shall prevail, if you exercise your voting rights both via postal mail 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.

- Of the documents to be provided with this notice, the “Systems for Ensuring the Propriety of Business Activities,” the “Consolidated Statement of Changes in Equity,” the “Notes to the Consolidated Financial Statements,” the “Statement of Changes in Equity” and the “Notes to the Non-consolidated Financial Statements” are not provided because they have been posted on the Company’s website (<https://www.unitika.co.jp/ir/stockholders/>) (in Japanese only), pursuant to the provisions of laws and regulations and the Company’s Articles of Incorporation.

The Business Report audited by the Audit & Supervisory Board Members, the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by Financial Auditor and the Audit & Supervisory Board Members consist of the documents stated in the documents attached to this notice, as well as the “Systems for Ensuring the Propriety of Business Activities,” the “Consolidated Statement of Changes in Equity,” the “Notes to the Consolidated Financial Statements,” the “Statement of Changes in Equity” and the “Notes to the Non-consolidated Financial Statements” posted on the Company’s website (in Japanese only).

- When you attend the Meeting in person, you are kindly requested to present the enclosed voting form at the reception.
- If any changes are made to items in the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders, such changes will be posted on the Company’s website (<https://www.unitika.co.jp/ir/stockholders/>) (in Japanese only).

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

Although the Company has worked on initiatives aimed at further strengthening its management foundation and driving business growth under the Medium-Term Management Plan titled “*G*” round 20~to *The Next Stage* since fiscal year 2017, after comprehensive consideration of the Company’s future business expansion, it has regrettably made the decision not to pay dividends for common shares. Dividends will be paid for preferred shares according to the calculation method prescribed at the time of issuance.

The payment of dividends for preferred shares will be carried out as follows, with other retained earnings as the source.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount
 - i) Class A shares: ¥12,000 per share Total amount: ¥260,880,000
 - ii) Class B shares: ¥23,740 per share Total amount: ¥60,750,660
- (3) Effective date of dividends of surplus
June 28, 2019

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for Proposal

- (1) With the aim of realizing speedier and more appropriate decision making in the Company’s management, the Company wishes to change the number of Directors to 14 persons or less.
- (2) The Company also wishes to change the length of one term of office for Directors from two years to one year in order to clarify the management responsibilities of Directors and build a management structure capable of responding swiftly to the changes to the management environment. These changes, however, will include a supplementary provision in order to clearly specify that the existing provisions shall apply to the terms of office of Directors elected at the 208th Annual General Meeting of Shareholders held on June 28, 2018.

2. Details of Amendments

Details of the amendments are as follows:

(Underlining denotes amendment)

Current Articles of Incorporation	Proposed amendments
<p>Article 20 (Number of Directors) The number of Directors of the Company shall be up to <u>28</u> persons.</p> <p>Article 22 (Term of a Director) Term of a Director shall be by the closing of the annual general meeting of shareholders concerning the final business year ending within <u>two (2) years</u> from the appointment.</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 20 (Number of Directors) The number of Directors of the Company shall be up to <u>14</u> persons.</p> <p>Article 22 (Term of a Director) Term of a Director shall be by the closing of the annual general meeting of shareholders concerning the final business year ending within <u>one (1) year</u> from the appointment.</p> <p style="text-align: center;"><u>Supplementary Provision</u> <u>(Transitional Measures concerning Term of a Director)</u> <u>Irrespective of the provisions of Article 22, the term of a Director elected at the 208th Annual General Meeting of Shareholders held on June 28, 2018 shall be until the closing of the annual general meeting of shareholders held in 2020. This supplementary provision shall be deleted after the said term elapses.</u></p>

(Note) Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal No. 3: Election of Four (4) Directors

At the conclusion of this meeting, the terms of office of four Directors Masaaki Yasuoka, Akira Enokida, Toru Hanbayashi and Minoru Furukawa will expire. Therefore, the Company proposes the election of four Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Masaaki Yasuoka (January 10, 1956) <u>Reelection</u>	Apr. 1979 Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.) June 2008 Representative Director and President of Mobit Co., LTD. June 2013 Standing Audit & Supervisory Board Member of Mitsubishi UFJ NICOS Co., Ltd. Feb. 2015 Advisor of the Company June 2015 Representative Director, Senior Managing Executive Officer (incumbent) [Current Responsibility] General Manager of Administration Division, stationed in Tokyo	3,843
		<u>Reasons for nomination as candidate for Director</u> Masaaki Yasuoka has knowledge and experience in the fields of banking/finance, corporate management and risk management. Since June 2015, Mr. Yasuoka has demonstrated superior capacity by improving the financial position through overseeing Administration Division as Representative Director, Senior Managing Executive Officer, and General Manager of the Administration Division of the Company. The Company has nominated him as a candidate for reelection because it expects him to continue to perform important roles in increasing the corporate value of the UNITIKA Group (the "Group") over the mid to long term through management oversight and business execution relating to the Administration Division by leveraging his knowledge and experience in the aforementioned fields.	
2	Akira Enokida (January 8, 1956) <u>Reelection</u>	Apr. 1980 Joined the Company June 2015 Director, Senior Executive Officer June 2018 Director, Managing Executive Officer (incumbent) [Current Responsibility] General Manager of Polymers Sector Global Business Promotion Division	11,044
		<u>Reasons for nomination as candidate for Director</u> Akira Enokida has business experience in and expert knowledge about film production technologies as well as global insights based on his experience working overseas. Mr. Enokida has pushed forward with measures to strengthen the profitability and global strategies of Polymers Sector centering on the Films Division since June 2015 as Director and Senior Executive Officer, and since June 2018 as Director and Managing Executive Officer. The Company has nominated him as a candidate for reelection because it expects him to continue to perform important roles in achieving sustainable growth of the Group through management oversight and business execution relating to the Polymers Sector by leveraging the aforementioned knowledge and experience.	

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Minoru Furukawa (June 13, 1943) <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Reelection</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Independent</div>	Apr. 1966 Joined Hitachi Zosen Corporation Apr. 2005 Representative Director, President of Hitachi Zosen Corporation June 2010 Representative Director, Chairman and President of Hitachi Zosen Corporation Apr. 2013 Representative Director, Chairman and Chief Executive Officer of Hitachi Zosen Corporation Apr. 2016 Representative Director, Chairman of Hitachi Zosen Corporation June 2016 Outside Director of the Senshu Ikeda Bank, Ltd. Apr. 2017 Senior Corporate Advisor and Director of Hitachi Zosen Corporation June 2017 Outside Director of Senshu Ikeda Holdings, Inc. (incumbent) June 2017 Non-Executive Director of the Senshu Ikeda Bank, Ltd. (incumbent) June 2017 Outside Director of the Company (incumbent) June 2018 Outside Director of OKK CORPORATION (incumbent) [Significant concurrent positions outside the Company] Outside Director of Senshu Ikeda Holdings, Inc. Non-Executive Director of the Senshu Ikeda Bank, Ltd. Outside Director of OKK CORPORATION	3,162
<p><u>Reasons for nomination as candidate for outside Director</u></p> <p>Minoru Furukawa has extensive experience and deep knowledge as a corporate manager, including the superior managerial capacity he demonstrated while leading a listed company as a representative director, particularly to achieve structural reforms.</p> <p>The Company has nominated him as a candidate for reelection because it expects him to continue to provide management oversight and recommendations to the management of the Company as an outside Director by leveraging his knowledge and experience.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Michihiko Ota (December 8, 1952) New Outside Independent	<p>Apr. 1975 Joined Marubeni Corporation</p> <p>June 2009 Managing Executive Officer of Marubeni Corporation</p> <p>Apr. 2010 Senior Managing Executive Officer of Marubeni Corporation</p> <p>Apr. 2012 Senior Executive Vice President of Marubeni Corporation</p> <p>Apr. 2013 Senior Executive Vice President, Regional COO for ASEAN, Regional CEO for East Asia, Regional COO for Southwest Asia of Marubeni Corporation Managing Director, Marubeni ASEAN Pte. Ltd.</p> <p>June 2014 Senior Executive Vice President of Marubeni Corporation</p> <p>Apr. 2015 Vice Chairman of Marubeni Corporation</p> <p>June 2016 Outside Board Member of XEBIO HOLDINGS CO., LTD. (incumbent)</p> <p>June 2017 Outside Corporate Auditor of SAISON AUTOMOBILE&FIRE INSURANCE CO., LTD (incumbent)</p> <p>Mar. 2018 Outside Director of OYO Corporation (incumbent)</p> <p>[Significant concurrent positions outside the Company] Outside Board Member of XEBIO HOLDINGS CO., LTD. Outside Corporate Auditor of SAISON AUTOMOBILE&FIRE INSURANCE CO., LTD Outside Director of OYO Corporation</p>	0
<p><u>Reasons for nomination as candidate for outside Director</u></p> <p>Michihiko Ota has held key positions such as a representative director of a listed company, and he has deep knowledge regarding business in Japan and overseas, and abundant experience regarding corporate management.</p> <p>The Company has nominated him as a candidate because it expects him to provide management oversight and recommendations to the management of the Company as an outside Director by leveraging his knowledge and experience.</p>			

- Notes:
1. All of the Company's shares owned by each candidate are common shares.
 2. The number of the Company's shares owned includes each candidate's shareholding under the officer stock ownership association.
 3. There are no special interests between any of the candidates and the Company.
 4. Minoru Furukawa and Michihiko Ota are candidates for outside Director.
 5. The period of office of Minoru Furukawa as outside Director will be two years at the close of this General Meeting of Shareholders.
 6. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into a limited liability agreement with Minoru Furukawa to limit the liability for damages under Article 423, paragraph 1 of the Act. The maximum liability amount under the said agreement shall be an amount provided for by Article 425, paragraph 1 of the Companies Act. If his reelection is approved, the Company plans to renew this agreement with him. If the election of Michihiko Ota is approved, the Company plans to enter into the same limited liability agreement with him.
 7. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Minoru Furukawa has been designated as an independent officer as provided for by the aforementioned exchange. Furthermore, Michihiko Ota satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and if his election is approved, the Company will submit notification to the aforementioned exchange concerning his designation as an independent officer.

Proposal No. 4: Election of Two (2) Audit & Supervisory Board Members

At the conclusion of this meeting, the terms of office of two Audit & Supervisory Board Members Masanobu Obata and Yoshito Kawachi will expire. Therefore, the Company proposes the election of two Audit & Supervisory Board Members.

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

The candidates for Audit & Supervisory Board Member is as follows:

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Kazuki Oka (January 14, 1958) <input type="checkbox"/> New	<p>Apr. 1983 Joined the Company</p> <p>Oct. 2002 General Manager of Administrative Department, Films Division</p> <p>July 2011 Deputy General Manager of Corporate Planning Division</p> <p>July 2012 Deputy General Manager of Corporate Planning Division, General Manager of Global Strategy Promotion Department, and General Manager of Polymerization Administrative Department</p> <p>June 2014 Executive Officer, General Manager of Global Strategy Promotion Department, and General Manager of Polymerization Administrative Department</p> <p>Apr. 2018 Executive Officer, General Manager of Global Business Promotion Division</p> <p>Apr. 2019 Advisor (incumbent)</p>	6,123
<p><u>Reasons for nomination as candidate for Audit & Supervisory Board Member</u></p> <p>Kazuki Oka has wide-ranging operational experience in the Company, including work in the Company's Films Division and overseas, as well as serving as Deputy General Manager of Corporate Planning Division, General Manager of Polymerization Administrative Department, General Manager of Global Business Promotion Division, etc.</p> <p>The Company has nominated him as a candidate because it expects him to perform the auditing of overall corporate management, and Business and Administration Division accurately, based on his abundant experience and knowledge.</p>			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Sumitaka Maruyama (January 29, 1956) New Outside Independent	<p>July 2008 District Director of Nishinari Tax Office</p> <p>July 2009 Director of Second Personnel Division, Management and Co-ordination Department, Osaka Regional Taxation Bureau</p> <p>July 2011 Director of Individual Taxation Division, First Taxation Department, Osaka Regional Taxation Bureau</p> <p>July 2012 Director of First Personnel Division, Management and Co-ordination Department, Osaka Regional Taxation Bureau</p> <p>July 2014 Deputy Assistant Regional Commissioner of First Taxation Department, Osaka Regional Taxation Bureau</p> <p>July 2015 Deputy Regional Commissioner of First Taxation Department, Osaka Regional Taxation Bureau</p> <p>Aug. 2016 Registered as a Certified Tax Accountant (incumbent)</p> <p>[Significant concurrent positions outside the Company] Director of Sumitaka Maruyama Tax Accountant Office</p>	0
<p><u>Reasons for nomination as candidate for outside Audit & Supervisory Board Member</u></p> <p>Sumitaka Maruyama has served in a wide range of business at the Osaka Regional Taxation Bureau and being a certified tax accountant, and he has extensive insight into tax affairs, as well as deep knowledge about finance and accounting.</p> <p>Mr. Maruyama does not have experience in corporate management, but the Company expects him to fulfill the role relating to further strengthening the corporate governance function, including auditing of the Company, as outside Audit & Supervisory Board Member by leveraging his knowledge and experience. Therefore, the Company nominated him as a candidate.</p>			

- Notes:
1. All of the Company's shares owned by each candidate are common shares.
 2. The number of the Company's shares owned includes each candidate's shareholding under the officer stock ownership association.
 3. There are no special interests between each candidate and the Company.
 4. Sumitaka Maruyama is a candidate for outside Audit & Supervisory Board Member.
 5. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company will enter into a limited liability agreement with Sumitaka Maruyama to limit the liability for damages under Article 423, paragraph 1 of the Act in the event his election is approved. The maximum liability amount under the said agreement shall be an amount provided for by Article 425, paragraph 1 of the Companies Act.
 6. Sumitaka Maruyama satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and if his election is approved, the Company will submit notification to the aforementioned exchange concerning his designation as an independent officer.

Proposal No. 5: Election of One (1) Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member, in preparation for a case where the number of the Company’s Audit & Supervisory Board Members falls short of the number required by laws and regulations.

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

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
Jiro Kobayashi (June 4, 1945) <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Independent</div>	Apr. 1974 Registered as attorney at law (incumbent) [Significant concurrent positions outside the Company] President of Kobayashi Law Office	200

[Reasons for nomination as candidate for substitute outside Audit & Supervisory Board Member]
 Jiro Kobayashi has a wealth of legal knowledge he has built up as an attorney at law over many years. Mr. Kobayashi does not have experience in corporate management, but he has sufficient knowledge including his thorough knowledge of corporate legal affairs as an attorney.
 The Company has nominated him as a candidate because it expects him to perform the duties of an outside Audit & Supervisory Board Member appropriately by leveraging his knowledge and experience.

- Notes:
1. All of the Company’s shares owned by the candidate are common shares.
 2. There are no special interests between the candidate and the Company.
 3. The Company requests the election of Jiro Kobayashi as a substitute outside Audit & Supervisory Board Member. He satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc.
 4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company will enter into a limited liability agreement with Jiro Kobayashi to limit the liability for damages under Article 423, paragraph 1 of the Act in the event he assumes the office of outside Audit & Supervisory Board Member. The maximum liability amount under the said agreement shall be an amount provided for by Article 425, paragraph 1 of the Companies Act.