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(Stock Exchange Code 4617)  
June 1, 2016

**To Shareholders with Voting Rights:**

Masataka Uetake  
President and CEO  
Chugoku Marine Paints, Ltd.  
1-7, Meiji-Shinkai, Otake-Shi, Hiroshima

**NOTICE OF  
THE 119TH 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 119th Annual General Meeting of Shareholders of Chugoku Marine Paints, Ltd. (the "Company"). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders, follow the instructions on (2) or (3) of "4. Instructions on Exercising Voting Rights" on the next page, and exercise your voting rights by 5:00 p.m. on Wednesday, June 22, 2016, Japan time.**

- 1. Date and Time:** Thursday, June 23, 2016 at 10:00 a.m. Japan time
- 2. Place:** 3F main conference room of the Company's Hiroshima Office located at 1-7, Meiji-Shinkai, Otake-Shi, Hiroshima, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company's 119th Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company's 119th Fiscal Year (April 1, 2015 - March 31, 2016)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Election of 1 Director
    - Proposal 3:** Election of 2 Corporate Auditors
    - Proposal 4:** Election of 1 Substitute Corporate Auditor

#### 4. Instructions on Exercising Voting Rights

- (1) Exercise of Voting Rights via Proxy  
You may designate one (1) other shareholder with the Company's voting rights to act as your proxy and exercise the voting rights. Please be advised that the proxy must submit a documentation proving power of attorney (a letter of attorney, etc.) at the reception.
- (2) Exercise of Voting Rights in Writing (Voting Rights Exercise Form)
  - 1) Please indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the aforementioned exercise deadline.
  - 2) In the event that there is no indication of being for or against each proposal in the Voting Rights Exercise Form, it will be handled as an indication of support.
  - 3) In the event that voting rights are exercised both via the Voting Rights Exercise Form and the Internet, the vote via the Internet will be deemed valid.
- (3) Exercise of Voting Rights via Electromagnetic Means (the Internet)
  - 1) You may exercise your voting right via the Internet only by accessing the Company's designated voting website (<http://www.evotep.jp>) using computers or smartphones (mobile phones are not permitted) (Please note that this service is unavailable every day between 2:00 a.m. and 5:00 a.m.).
  - 2) Depending on their Internet user environments, shareholders may not be able to exercise their voting rights via this dedicated voting site due to Internet firewalls, antivirus software, proxy servers, etc.
  - 3) Please enter the "login ID" and "temporary password" indicated on the Voting Rights Exercise Form and then enter your vote by following the on-screen instructions. To prevent persons other than shareholders from illegally accessing the website and altering the content of your voting selections, we will ask shareholders who use the website to change their "temporary passwords" on the website.
  - 4) In the event that voting rights are exercised both via the Internet and the Voting Rights Exercise Form, the vote via the Internet will be deemed valid.
  - 5) In the event that voting rights are exercised multiple times via the Internet, the most recent vote will be deemed valid.
  - 6) Expenses related to connecting to the voting website (the Internet connection fee, etc.) will be borne by the shareholder.
  - 7) Votes will be accepted via the Internet by the aforementioned exercise deadline; however, you are cordially requested to exercise your voting rights earlier, and call the Help Desk (as mentioned below) with any inquiries or questions.

<p>For inquiries concerning systems, etc. Stock Transfer Agency Division, Mitsubishi UFJ Trust and Banking Corporation (Help Desk) Telephone: 0120-173-027 (Business hours: 9:00 a.m.- 9:00 p.m., toll free)</p>
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- (4) Non-uniform Exercise of Voting Rights  
Please notify the Company's shareholder registry administrator in writing to this effect, together with the reason therefor by three days prior to the General Meeting of Shareholders.

[Information for Institutional Investors]

Institutional shareholders may use the "Electronic Voting Platform for Foreign and Institutional Investors" operated by ICJ, Inc. as a method for exercising voting rights at the General Meeting of Shareholders of the Company.

End

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎ Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<http://www.cmp.co.jp/>).
  - ◎ The contents of the resolutions in this General Meeting of Shareholders will be posted on the Company's website listed above, after the conclusion of this General Meeting of Shareholders, in substitution of being dispatched in writing.

<p>A "Registration Protection Sticker" will be enclosed in order to protect the shareholders' personal information. Please use it when returning the paper for the Voting Exercise Rights Form.</p>
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# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

It is proposed that surplus to be appropriated as follows.

#### Matters related to year-end dividends

With regard to the year-end dividends for the 119th fiscal year, comprehensively taking into account the business performance for the year under review, future business development, and the standpoint of maintaining stable dividend payments, the Company proposes as follows.

- (1) Type of dividend assets  
Cash
- (2) Items relating to the allocation of dividend assets to shareholders and its total amount  
¥9 per share of common stock, for a total of ¥595,831,959  
(As a result, ¥16 per annum adding paid interim dividend)
- (3) Effective date of payment of dividend from surplus  
June 24, 2016

**Proposal 2:** Election of 1 Director

In order to further strengthen the Company's management structure, the Company proposes increasing the number of Directors by 1 person, and would like to request the following nomination.

The candidate for Director is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held	
Motoyoshi Nishikawa (January 1, 1946)	April 1968	Joined Yawata Iron & Steel Co., Ltd. (currently NIPPON STEEL & SUMITOMO METAL CORPORATION)	—
	June 1997	Director, NIPPON STEEL & SUMITOMO METAL CORPORATION	
	April 2001	Managing Director, NIPPON STEEL & SUMITOMO METAL CORPORATION	
	June 2003	Senior Advisor (Chief Legal Counsel), NIPPON STEEL & SUMITOMO METAL CORPORATION	
	July 2007	Advisor, NIPPON STEEL & SUMITOMO METAL CORPORATION	
	June 2009	Audit & Supervisory Board Member, NITTETSU ELEX Co., Ltd. (currently NIPPON STEEL & SUMIKIN TEXENG. CO., LTD.)	
	April 2010	Outside Audit & Supervisory Board Member, NKSJ Holdings, Inc. (currently Sompo Japan Nipponkoa Holdings, Inc.)	
	July 2011	Admitted to the bar Visiting Counsel, Nomura & Partners (present)	
	April 2012	Outside Director, OLYMPUS CORPORATION (present)	

(Notes)

1. There are no special interests between the candidate and the Company.
2. The term of office of Mr. Motoyoshi Nishikawa will expire at the same time as other Directors as per Article 22, Paragraph 2 of the Articles of Incorporation of the Company.
3. Mr. Motoyoshi Nishikawa is scheduled to resign from the office of Outside Director of OLYMPUS CORPORATION in June 2016.
4. Mr. Motoyoshi Nishikawa is a candidate for Outside Director prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
5. In addition to Mr. Motoyoshi Nishikawa's knowledge as an attorney-at-law, he provides precise advice based on his wealth of experience as a business administrator and outside director. As such, the Company has determined that he is capable of further strengthening its management structure, and thus nominates him as a candidate.
6. Mr. Motoyoshi Nishikawa is a candidate for Independent Director required under the rules of Tokyo Stock Exchange.
7. If Mr. Motoyoshi Nishikawa is elected as Director, the Company is scheduled to enter into an agreement with him that limits the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same act.

**Proposal 3: Election of 2 Corporate Auditors**

The terms of office of Corporate Auditors Masataka Higashi and Kazuo Itou will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 2 Corporate Auditors is proposed.

The candidates for Corporate Auditors are as follows.

The Board of Corporate Auditors has previously given its approval to this proposal.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Eiichi Kunimoto (September 24, 1955)	April 1978      Joined The Mitsubishi Bank, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.) October 2008    Counselor, Headquarters, The Bank of Tokyo-Mitsubishi UFJ, Ltd. September 2009   General Manager, Legal Dept., the Company June 2012        General Manager, Legal Dept. and Deputy Chief, Administration Management Div., Administration Headquarter July 2013        Executive Officer; Deputy Chief, Administration Headquarter; and General Manager, Legal Dept. (present)	—
2	Shigeru Kajita (August 10, 1956)	November 1979    Joined Chuo Audit Corporation August 1983      Registered as Certified Public Accountant March 1985       Reregistered as Certified Tax Accountant and opened its business (present) September 1994   Partner, Chuo Audit Corporation May 2000         Partner, Chuo Aoyama Audit Corporation April 2003        Partner, Nishi Nihon & Co. (present) June 2015        Substitute Corporate Auditor, the Company (present)	—

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Eiichi Kunimoto has many years of business experience in administration and possesses a correspondingly large amount of knowledge regarding finance and accounting. The Company believes that he is able to appropriately audit the execution of business of Directors, and has thus been selected as a candidate.
3. Mr. Shigeru Kajita is a candidate for Outside Corporate Auditor prescribed in the Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
4. Mr. Shigeru Kajita does not have any previous experience of participation in corporate management, but he possesses a wide range of knowledge and business experience in finance and accounting. Therefore, the Company believes that he is capable of auditing the execution of Directors' duties from an objective and fair standpoint, and thus nominates him as a candidate.
5. Mr. Shigeru Kajita is a candidate for Independent Auditor required under the rules of Tokyo Stock Exchange.
6. If Mr. Shigeru Kajita is elected as Corporate Auditor, the Company is scheduled to enter into an agreement with him that limits the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same act.

**Proposal 4:** Election of 1 Substitute Corporate Auditor

The effectiveness of the current Substitute Corporate Auditor's appointment will expire at the opening of this Annual General Meeting of Shareholders. In order to prepare for the contingency of the number of Corporate Auditors falling below the current number, the election of 1 Substitute Corporate Auditor is proposed.

The candidate for Substitute Corporate Auditor is as follows.

The Board of Corporate Auditors has previously given its approval to this proposal.

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
Yorito Kubota (February 14, 1953)	April 1971      Joined Hiroshima Regional Taxation Bureau July 2006      Director of Iwakuni Taxation Office July 2009      Chief Internal Inspector, Hiroshima Detached Internal Inspector Office, Director-General's Secretariat, National Tax Agency July 2012      Director of Hiroshima-higashi Taxation Office July 2013      Resigned from Hiroshima-higashi Taxation Office August 2013    Opened the business as Tax Accountant (present) October 2013   Partner, Hiroshima Branch Office, HONGO TSUJI TAX & CONSULTING (present)	—

(Notes)

1. There are no special interests between the candidate and the Company.
2. Mr. Yorito Kubota is a candidate for Substitute Corporate Auditor who is an Outside Corporate Auditor prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act, and meets the requirements for Independent Auditor stipulated by the Tokyo Stock Exchange. He does not have any previous experience of participation in corporate management, but he possesses a wide range of knowledge and business experience in finance and accounting. Therefore, the Company believes that he is capable of auditing the execution of Directors' duties from an objective and fair standpoint, and thus nominates him as a candidate.
3. If Mr. Yorito Kubota assumes the office of Corporate Auditor, the Company is scheduled to enter into an agreement with him that limits the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same act.

End