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Securities identification code: 5707

June 7, 2017

To our shareholders:

Tatsuya Tejima
Representative Director and President
Toho Zinc Co., Ltd.
1-8-2 Marunouchi, Chiyoda-ku, Tokyo

NOTICE OF THE 118TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 118th Ordinary General Meeting of Shareholders of Toho Zinc Co., Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by either of the methods below. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders hereafter.

[Voting in Writing]

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than 5:40 p.m., Wednesday, June 28, 2017 (Japan Standard Time).

[Voting via the Internet]

Please access the voting website designated by the Company (<http://www.evotep.jp/>), use the login ID and temporary password written on the enclosed voting form, and then indicate your approval or disapproval of the proposals by following the instructions on the screen by no later than 5:40 p.m., Wednesday, June 28, 2017 (Japan Standard Time).

Please also confirm “Instructions for exercising voting rights via the Internet” when voting via the Internet. (This only applies to those who received the Japanese version of this Notice)

- 1. Date and Time:** Thursday, June 29, 2017 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** Tekko Conference Room (Tekko Building, South Tower 4th Floor)
1-8-2 Marunouchi, Chiyoda-ku, Tokyo
(Please refer to the venue map at the end of this Notice. This only applies to those who received the Japanese version of this Notice.)

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 118th Term (from April 1, 2016 to March 31, 2017), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board.
2. Non-Consolidated Financial Statements for the 118th Term (from April 1, 2016 to March 31, 2017)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Consolidation of Shares
- Proposal 3:** Partial Amendments to the Articles of Incorporation
- Proposal 4:** Election of Three (3) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 5:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 6:** Election of Two (2) Substitute Directors Who Are Audit and Supervisory Committee Members
- Proposal 7:** Determination of the Amounts of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 8:** Determination of the Amounts of Remuneration for Directors Who Are Audit and Supervisory Committee Members
- Proposal 9:** Payment of Bonuses to Directors

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end Dividends

The Company's basic policy is to pay dividends while comprehensively taking into account the business performance, business environment surrounding the Group, internal reserves for future business development, maintenance of stable dividends and other factors.

In line with this policy, the Company proposes to pay a year-end dividend for the current fiscal year of ¥10 per share, which is ¥5 higher than that for the previous fiscal year.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and total amount thereof
¥10 per common share of the Company Total amount: ¥1,357,925,070
- (3) Effective date of dividends of surplus
June 30, 2017

Proposal 2: Consolidation of Shares

1. Reason of consolidation of shares

The Japanese Stock Exchange announced the “Action Plan for Consolidating Trading Units,” which aims to consolidate the trading unit for common shares of domestic listed companies to 100 shares by October 1, 2018. As a company listed on the Tokyo Stock Exchange, the Company shall respect this intention and it resolved to change its number of shares that constitutes one unit from 1,000 to 100 shares at its Board of Directors meeting held on April 20, 2017.

Therefore, ten (10) shares shall be consolidated to one (1) share of Company’s share and the total number of authorized shares shall change from the current 264 million shares to 26.4 million shares at the same ratio for the purpose of maintaining the appropriate standard for the unit of investment as well as ensuring no change to the number of voting rights held by each shareholder.

Please note that the above change to the number of share units will take effect on October 1, 2017 as a condition for approval of this proposal in its original form.

2. Ratio of consolidation

The Company proposes the consolidation of ten (10) shares into one (1) share of common share of the Company.

If a fraction of less than one (1) share is created due to the consolidation of shares, all such fractional shares will be sold together in accordance with the Companies Act, and the proceeds will be distributed to shareholders who held the fractional shares in proportion to the number of fractional shares they held.

3. Effective date for the consolidation of shares

October 1, 2017

4. Total number of authorized shares as of the effective date

26,400,000 shares

By implementing the consolidation of shares subject to this proposal, it will be deemed that the Articles of Incorporation is amended with respect to the above total number of authorized shares on the effective date, pursuant to Article 182, paragraph 2 of the Companies Act.

[Reference]

(1) Partial amendments to the Articles of Incorporation

If this proposal and Proposal 3 “Partial Amendments to the Articles of Incorporation” are approved in their original form, the partial amendments below will be made to the Company’s Articles of Incorporation as of October 1, 2017.

The details of the amendments are as follows:

(Amended sections are underlined)

Current Articles of Incorporation	Proposed amendments
(Total Number of Authorized Shares) Article 5 The total number of shares authorized to be issued by the Company shall be <u>264,000,000</u> .	(Total Number of Authorized Shares) Article 5 The total number of shares authorized to be issued by the Company shall be <u>26,400,000</u> .
(Number of Shares per Share Unit) Article 7 The number of shares constituting one unit of shares of the Company shall be <u>1,000</u> .	(Number of Shares per Share Unit) Article 7 The number of shares constituting one unit of shares of the Company shall be <u>100</u> .

(2) Impact of the consolidation of shares on shareholders

The number of shares held after the consolidation of shares will be one-tenth of the number before consolidation, but the corporate assets and the state of capital will not change before or after the consolidation. The asset value for one (1) share will be ten (10) times of the value and the asset value of Company shares held by all of the shareholders will not change by factors other than those related to fluctuations in the stock market.

Proposal 3: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

- 1) In accordance with “Act for Partial Revision of the Companies Act” (Act No. 90 of 2014) implemented on May 1, 2015, a company with an Audit and Supervisory Committee was introduced.
The Company proposes the transition to a company with an Audit and Supervisory Committee for the purpose of strengthening the auditing and monitoring functions for the performance of duties by the Board of Directors and improving the flexibility and speed of decision-making. This would mean establishment of new provisions related to the Audit and Supervisory Committee and Audit and Supervisory Committee Members as well as deletion of provisions related to the Audit & Supervisory Board Member and Audit & Supervisory Board.
- 2) The Company proposes the necessary amendments such as renumbering of certain Articles associated with aforementioned revision.

The amendments to the Articles of Incorporation related to this proposal will take effect as of the conclusion of this ordinary general meeting of shareholders.

2. Details of the amendments

The details of the amendments are as follows:

(Amended sections are underlined)

Current Articles of Incorporation	Proposed amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
(Trade Name) Article 1 The name of the Company shall be “Toho Aen Kabushiki Kaisha” and in English it shall be “Toho Zinc Co., Ltd.”	(Trade Name) Article 1 (Change in Japanese only; English unchanged)
(Purpose) Article 2 The purpose of the Company shall be to engage in the following business activities: Article 1 to 23 (Omitted)	(Purpose) Article 2 (Change in Japanese only; English unchanged) Article 1. to 23. (Unchanged)
(Location of the Head Office) Article 3 The head office of the Company shall be located at Chiyoda Ward, Tokyo, Japan.	(Location of the Head Office) Article 3 (Change in Japanese only; English unchanged)
(Method of Public Notice) Article 4 (Omitted)	(Method of Public Notice) Article 4 (Unchanged)
Chapter 2 Shares	Chapter 2 Shares
(Total Number of Authorized Shares) Article 5 The total number of shares authorized to be issued by the Company shall be 264,000,000.	(Total Number of Authorized Shares) Article 5 (Change in Japanese only; English unchanged)

Current Articles of Incorporation	Proposed amendments
<p>Article 6 to Article 7 (Omitted)</p> <p>(Demand for Sale of Holder of Shares Less than One Unit) Article 8 A shareholder of the Company who holds shares less than one unit may request the Company to sell to the shareholder a number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit (hereinafter referred to as additional purchase).</p> <p>(Limitations of Rights for Shareholders with Shares Less Than One Unit) Article 9 A shareholder of the company with shares less than one unit cannot exercise voting rights other than the rights given below. (1) Rights set forth in items of Article 189, paragraph 2 of the Companies Act; (2) Rights to demand acquisition of shares with put option; (3) Right to receive an allotment of offered shares and offered share acquisition rights; and (4) Rights to demand adding of holdings of shares less than one unit stipulated in the previous Article</p> <p>(Shareholder Register Administrator) Article 10 1. The Company shall have a shareholder register administrator. 2. The shareholder register administrator and the place of business thereof shall be selected by resolution of the Board of Directors and public notice thereof shall be given.</p> <p>(Share Handling Rules) Article 11 Handling of the inclusions and recordings to the shareholder register and the share acquisition right register, purchase and adding of holdings for shares less than one unit, and other shares and subscription rights to shares as well as procedures, etc. and processing fees when exercising rights to shares shall be governed by stipulations in applicable laws and regulations as well as the Articles of Incorporation in addition to the Share Handling Rules defined by the Board of Directors.</p> <p>(Base Date) Article 12 1. The Company shall consider shareholders who have voting rights that were included or recorded in the shareholder register by March 31st of each fiscal year as shareholders who are able to exercise rights at the ordinary general meeting of shareholders for that fiscal year. 2. (Omitted)</p>	<p>Article 6 to Article 7 (Unchanged)</p> <p>(Demand for Sale of Holder of Shares Less than One Unit) Article 8 A shareholder of the Company who holds shares less than one unit may request the Company to sell to the shareholder a number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit (hereinafter referred to as “additional purchase”).</p> <p>(Limitations of Rights for Shareholders with Shares Less Than One Unit) Article 9 (Change in Japanese only; English unchanged)</p> <p>(Shareholder Register Administrator) Article 10 (Change in Japanese only; English unchanged)</p> <p>(Share Handling Rules) Article 11 (Change in Japanese only; English unchanged)</p> <p>(Base Date) Article 12 1. (Change in Japanese only; English unchanged) 2. (Unchanged)</p>

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 3</p> <p style="text-align: center;">General Meeting of Shareholders (General Meeting of Shareholders Convocation)</p> <p>Article 13</p> <p>An ordinary general meeting of shareholders shall be convened in June every year. An extraordinary general meeting of shareholders shall be convened whenever necessary.</p> <p>Article 14 to Article 18 (Omitted)</p>	<p style="text-align: center;">Chapter 3</p> <p style="text-align: center;">General Meeting of Shareholders (General Meeting of the Shareholders Convocation)</p> <p>Article 13</p> <p>(Change in Japanese only; English unchanged)</p> <p>Article 14 to Article 18 (Unchanged)</p>
<p style="text-align: center;">Chapter 4</p> <p style="text-align: center;">Directors and Board of Directors</p> <p>(Establishment of Board of Directors)</p> <p>Article 19</p> <p>The Company shall have a Board of Directors.</p> <p>(Number of Members on the Board of Directors)</p> <p>Article 20</p> <p>The Company shall have no more than <u>ten (10)</u> Directors.</p>	<p style="text-align: center;">Chapter 4</p> <p style="text-align: center;">Directors and Board of Directors</p> <p>(Establishment of Board of Directors)</p> <p>Article 19</p> <p>(Change in Japanese only; English unchanged)</p> <p>(Number of Members on the Board of Directors)</p> <p>Article 20</p>
<p>(Newly established)</p>	<p>1. The Company shall have no more than <u>eight (8)</u> Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u>.</p> <p>2. <u>The Company shall have no more than five (5) Directors who are Audit and Supervisory Committee Members.</u></p>
<p>(Election of Directors)</p> <p>Article 21</p> <p>1. Directors shall be elected by resolution of the General Meeting of Shareholders.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p>	<p>(Election of Directors)</p> <p>Article 21</p> <p>1. Directors <u>who are Audit and Supervisory Committee Members</u> shall be <u>distinguished from those that are not Audit and Supervisory Committee Members</u>, and elected by resolution of the General Meeting of Shareholders.</p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p>
<p>(Term of Office of Directors)</p> <p>Article 22</p> <p>The term of office of Directors shall extend to the end of the Ordinary General Meeting of Shareholders for the last fiscal year ending within one (1) year after election.</p> <p>(Newly established)</p>	<p>(Term of Office of Directors)</p> <p>Article 22</p> <p>1. The term of office of Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall extend to the end of the Ordinary General Meeting of Shareholders for the last fiscal year ending within one (1) year after election.</p> <p>2. <u>The term of office of Directors who are Audit and Supervisory Committee Members shall extend to the end of the Ordinary General Meeting of Shareholders for the last fiscal year ending within two (2) years after election.</u></p>
<p>(Newly established)</p>	<p>3. <u>The term of office of Directors who are Audit and Supervisory Committee Members elected as substitutes for Directors who are Audit and Supervisory Committee Members retiring before the end of their term of office shall extend to the end of the term of office of the retiring Directors who are Audit and Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<p><u>4. The effective term of election of substitute Directors who are Audit and Supervisory Committee Members shall extend to the start of the Ordinary General Meeting of Shareholders for the last fiscal year ending within two (2) years after election of the substitute Director who is Audit and Supervisory Committee Member at the General Meeting of Shareholders.</u></p>
(Representative Directors and Directors With Special Titles) Article 23	(Representative Directors and Directors With Special Titles) Article 23
<p>1. The Board of Directors shall select <u>Representative Directors of the Company</u> via resolution.</p> <p>2. The Board of Directors may select, by its resolution, one (1) Director and Chairman, one Director and President, <u>one or a small number of Directors and Vice Presidents, one (1) or a small number of Senior Managing Directors, and one or a small number of Managing Directors.</u></p>	<p>1. The Board of Directors shall select <u>Representative Directors</u> via resolution <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p>2. The Board of Directors may select one (1) Director and Chairman and one Director and President via resolution <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p>
(Board of Directors Convocation Notices) Article 24	(Board of Directors Convocation Notices) Article 24
<p>Board of Directors convocation notices shall be sent to each Director <u>and Audit & Supervisory Board Member</u> no fewer than three days before meetings. However, this period can be shortened in case of an emergency.</p>	<p>1. Board of Directors convocation notices shall be sent to each Director no fewer than three days before meetings. However, this period can be shortened in case of an emergency.</p> <p>2. <u>If all Directors agree, the Board of Directors meetings can be held without going through a convocation procedure.</u></p>
(Newly established)	
(Method for Making Resolutions in the Board of Directors Meeting) Article 25 (Omitted)	(Method for Making Resolutions in the Board of Directors Meeting) Article 25 (Unchanged)
(Omission of Resolutions of the Board of Directors) Article 26	(Omission of Resolutions of the Board of Directors) Article 26
<p>The Company shall deem that a resolution of the Board of Directors to determine the aforementioned matters to be resolved has been made where an agreement is reached on matters to be resolved by every Director on the Board of Directors in writing or electronic record. <u>However, this is not limited to when an objection is raised by an Audit & Supervisory Board Member.</u></p>	<p>The Company shall deem that a resolution of the Board of Directors to determine the aforementioned matters to be resolved has been made where an agreement is reached on matters to be resolved by every Director on the Board of Directors in writing or electronic record.</p>
(Newly established)	<p><u>(Delegation of Decisions on Important Business Operations)</u> <u>Article 27</u> <u>The Company may, pursuant to Article 399-13, paragraph 6 of the Companies Act, via resolution of the Board of Directors, delegate all or part of decisions on important business operations (except for matters set forth in Article 399-13, paragraph 5) to Directors.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>(Minutes of Board of the Directors Meetings) Article <u>27</u> A record of the proceedings and the outcome of the Board of Directors as well as items stipulated in other laws and regulations shall be included and recorded in the minutes and Directors <u>and Audit & Supervisory Board Members</u> present at the meeting shall adhere their stamp or digital signature to the minutes.</p> <p>(Regulations of the Board of Directors) Article <u>28</u> Matters related to the Board of Directors, in addition to laws and regulations, as well as the terms and conditions in these Articles of Incorporation, shall be conducted in accordance with the Board of Directors regulations established by the Board of Directors.</p> <p>(Remuneration, etc. of Directors) Article <u>29</u> Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties (hereinafter referred to as the “Remuneration, etc.”) to Directors shall be determined by resolution of a general meeting of shareholders.</p> <p>(Exemption of Directors From Liability) Article <u>30</u> 1. The Company may exempt Directors (including <u>people</u> who were formerly Directors) from the liability in Article 423 paragraph 1 of the Companies Act by resolution of the Board of Directors up to the amount obtained by deducting the minimum liability stipulated by the laws and regulations from the amount of indemnity liability if the exemption corresponds to the requirements defined in Article 426 paragraph 1 of the same act. 2. The Company may enter into agreements that limit liability of Article 423 paragraph 1 of the Companies Act with Directors (including persons who are Executive Directors) if the agreements correspond to the requirements defined in Article 427 paragraph 1 of the same act. However, the limit to liability in accordance with the aforementioned agreements shall be the minimum liability stipulated in laws and regulations.</p> <p style="text-align: center;">Chapter 5 <u>Audit & Supervisory Board Member and Audit & Supervisory Board</u></p> <p>(<u>Establishment of Audit & Supervisory Board Members and Audit & Supervisory Board</u>) Article <u>31</u> <u>The Company shall have Audit & Supervisory Board Members and Audit & Supervisory Board.</u></p>	<p>(Minutes of Board of the Directors Meetings) Article <u>28</u> A record of the proceedings and the outcome of the Board of Directors as well as items stipulated in other laws and regulations shall be included and recorded in the minutes and Directors present at the meeting shall adhere their stamp or digital signature to the minutes.</p> <p>(Regulations of the Board of Directors) Article <u>29</u> (Change in Japanese only; English unchanged)</p> <p>(Remuneration, etc. of Directors) Article <u>30</u> For Director remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties (hereinafter “Remuneration, etc.”), <u>Directors who are Audit and Supervisory Committee Members shall be distinguished from those that are not Audit and Supervisory Committee Members, and shall be determined by resolution of the General Meeting of Shareholders.</u></p> <p>(Exemption of Directors From Liability) Article <u>31</u> (Change in Japanese only; English unchanged)</p> <p style="text-align: center;">Chapter 5 <u>Audit and Supervisory Committee</u></p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>(Number of Audit & Supervisory Board Members)</u> <u>Article 32</u> <u>The Company shall have no more than four (4) Audit & Supervisory Board Member.</u></p>	(Deleted)
<p><u>(Election of Audit & Supervisory Board Members)</u> <u>Article 33</u> 1. <u>Audit & Supervisory Board Members shall be elected by resolution of the General Meeting of Shareholders.</u> 2. <u>Elections of Audit & Supervisory Board Members shall be by majority decision, with more than one-third (1/3) attendance of shareholders with voting rights.</u></p>	(Deleted)
<p><u>(Election of Audit & Supervisory Board Members)</u> <u>Article 34</u> 1. <u>The term of office of Audit & Supervisory Board Member shall extend to the end of the Ordinary General Meeting of Shareholders for the last fiscal year ending within four (4) years after election.</u> 2. <u>The term of office of Audit & Supervisory Board Member elected as substitutes shall extend to the end of the term of office of the retiring Audit & Supervisory Board Member.</u></p>	(Deleted)
<p><u>(Full-Time Audit & Supervisory Board Members)</u> <u>Article 35</u> <u>The Audit & Supervisory Board shall select full-time Audit & Supervisory Board Members from Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>(Notice of Meeting of the Audit & Supervisory Board)</u> <u>Article 36</u> <u>Audit & Supervisory Board convocation notices shall be sent to each Audit & Supervisory Board Member no fewer than three days before Board meetings. However, this period can be shortened in the case of an emergency.</u></p>	(Deleted)
<p><u>(Method for Resolutions of the Audit & Supervisory Board)</u> <u>Article 37</u> <u>Unless otherwise provided for by laws and regulations, resolutions of the Audit & Supervisory Board shall be made by a majority vote of Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>(Minutes of Audit & Supervisory Board Meetings)</u> <u>Article 38</u> <u>A record of the proceedings and the outcome of the Audit & Supervisory Board as well as items stipulated in other laws and regulations shall be included and recorded in the minutes and the Audit & Supervisory Board Members present at the meeting shall adhere their stamp or digital signature to the minutes.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed amendments
<p><u>(Audit & Supervisory Board Regulations)</u> <u>Article 39</u> <u>Matters related to the Audit & Supervisory Board, in addition to laws and regulations, as well as the terms and conditions in these Articles of Incorporation, shall be conducted in accordance with Audit & Supervisory Board regulations established by the Audit & Supervisory Board.</u></p>	<p>(Deleted)</p>
<p><u>(Remuneration, etc. of Audit & Supervisory Board Members)</u> <u>Article 40</u> <u>Remuneration and such of Audit & Supervisory Board Members shall be established by resolution of the General Meeting of Shareholders.</u></p>	<p>(Deleted)</p>
<p><u>(Exemption of Audit & Supervisory Board Members From Liability)</u> <u>Article 41</u> 1. <u>The Company may exempt Audit & Supervisory Board Members (including persons who were formerly Audit & Supervisory Board Members) from the liability in Article 423 paragraph 1 of the Companies Act by resolution of the Board of Directors up to the amount obtained by deducting the minimum liability stipulated by the laws and regulations from the amount of indemnity liability if the exemption corresponds to the requirements defined in Article 426 paragraph 1 of the same act.</u> 2. <u>The Company may enter into agreements that limit liability of Article 423 paragraph 1 of the Companies Act with Audit & Supervisory Board Members if the agreements correspond to the requirements defined in Article 427 paragraph 1 of the same act. However, the limit to liability in accordance with the aforementioned agreements shall be the minimum liability stipulated in laws and regulations.</u></p>	<p>(Deleted)</p>
<p>(Newly established)</p>	<p><u>(Establishment of an Audit and Supervisory Committee)</u> <u>Article 32</u> <u>The Company shall have an Audit and Supervisory Committee.</u></p>
<p>(Newly established)</p>	<p><u>(Full-Time Audit and Supervisory Committee Members)</u> <u>Article 33</u> <u>The Audit and Supervisory Committee may select full-time Audit and Supervisory Committee Members via resolution.</u></p>
<p>(Newly established)</p>	<p><u>(Audit and Supervisory Committee Convocation Notices)</u> <u>Article 34</u> 1. <u>The Audit and Supervisory Committee convocation notices shall be sent to each Audit and Supervisory Committee Member no fewer than three days before Board meetings. However, this period can be shortened in case of an emergency.</u> 2. <u>If all Audit and Supervisory Committee Members agree, Committee meetings can be held without going through a convocation procedure.</u></p>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<u>(Method for Resolutions of the Audit and Supervisory Committee)</u> <u>Article 35</u> <u>Resolutions of the Audit and Supervisory Committee shall be made by a majority vote of the Audit and Supervisory Committee Members with a majority of Audit and Supervisory Committee Members present.</u>
(Newly established)	<u>(Minutes of the Audit and Supervisory Committee Meetings)</u> <u>Article 36</u> <u>A record of the proceedings and the outcome of the Audit and Supervisory Committee as well as items stipulated in other laws and regulations shall be included and recorded in the minutes and the Audit and Supervisory Committee Members present at the meeting shall adhere their stamp or digital signature to the minutes.</u>
(Newly established)	<u>(Regulations of the Audit and Supervisory Committee)</u> <u>Article 37</u> <u>Matters related to the Audit and Supervisory Committee, in addition to laws and regulations, as well as the terms and conditions in these Articles of Incorporation, shall be conducted in accordance with Audit & Supervisory Committee regulations established by the Audit and Supervisory Committee.</u>
<p style="text-align: center;">Chapter 6 Accounting Auditor</p>	<p style="text-align: center;">Chapter 6 Accounting Auditor</p>
(Appointment of Accounting Auditor) Article <u>42</u> The Company shall have an Accounting Auditor.	(Appointment of Accounting Auditor) Article <u>38</u> The Company shall have an Accounting Auditor.
(Election of Accounting Auditor) Article <u>43</u> (Omitted)	(Election of Accounting Auditor) Article <u>39</u> (Unchanged)
(Term of Office of Accounting Auditor) Article <u>44</u> <ol style="list-style-type: none"> 1. (Omitted) 2. The Company shall reelect the Accounting Auditor at the conclusion of the ordinary general meeting of shareholders when no separate resolution is made at the general meeting of shareholders in the previous provision. 	(Term of Office of Accounting Auditor) Article <u>40</u> <ol style="list-style-type: none"> 1. (Unchanged) 2. (Change in Japanese only; English unchanged)
(Remuneration, etc. of Accounting Auditor) Article <u>45</u> Remuneration, etc. of the accounting auditor is determined by the Representative Director obtaining consent from the <u>Audit & Supervisory Board</u> .	(Remuneration, etc. of Accounting Auditor) Article <u>41</u> Remuneration, etc. of the accounting auditor is determined by the Representative Director obtaining consent from the <u>Audit and Supervisory Committee</u> .

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 7 Accounts</p>	<p style="text-align: center;">Chapter 7 Accounts</p>
<p>(Business Year) Article <u>46</u> (Omitted)</p>	<p>(Business Year) Article <u>42</u> (Unchanged)</p>
<p>(Year-end Dividends) Article <u>47</u> The Company shall make monetary payments of dividends of surplus (hereinafter “Year-end Dividends”) by resolution of the general meeting of shareholders to shareholders who are included or recorded in the shareholder registry by no later than March 31 of each fiscal year and to registered pledgees of shares.</p>	<p>(Year-end Dividends) Article <u>43</u> (Change in Japanese only; English unchanged)</p>
<p>(Interim Dividends) Article <u>48</u> The Company may distribute dividends of surplus (hereinafter “Interim Dividends”) by resolution of the Board of Directors to shareholders who are included in the shareholder registry by no later than March 31 of each fiscal year and to registered pledgees of shares as provided for in Article 454, paragraph 5 of the Companies Act.</p>	<p>(Interim Dividends) Article <u>44</u> (Change in Japanese only; English unchanged)</p>
<p>(Prescription for Payment of Year-end Dividends) Article <u>49</u> 1. In cases where the year-end dividends and interim dividends have not been received after the lapse of five (5) full years from the date of commencement of payment therefor, the Company shall be exempt from the obligation to pay such dividends. 2. (Omitted)</p>	<p>(Prescription for Payment of Year-end Dividends) Article <u>45</u> 1. (Change in Japanese only; English unchanged) 2. (Unchanged)</p>
<p>(Newly established)</p>	<p><u>Supplementary Provisions</u> 1. <u>The Company may exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages in Article 423, paragraph 1 of the Companies Act related to the actions before the conclusion of the 118th Ordinary General Meeting of Shareholders via resolution of the Board of Directors within the limit of laws and regulations.</u> 2. <u>Agreements that limit liability of Article 423 paragraph 1 of the Companies Act related to actions of Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) before the conclusion of the 118th Ordinary General Meeting of Shareholders shall be defined in Article 41, paragraph 2 of the Articles of Incorporation before the amendments via resolution at the same General Meeting of Shareholders.</u></p>

Proposal 4: Election of Three (3) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

If Proposal 3, “Partial Amendments to the Articles of Incorporation,” is approved in its original form, the Company will make the transition to a company with an Audit and Supervisory Committee. The terms of office of all seven (7) Directors will expire on the effective date for the amendments to the Articles of Incorporation. Therefore, the Company proposes the election of three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members).

This proposal, however, can only take effect after the amendments to the Articles of Incorporation in Proposal 3, “Partial Amendments to the Articles of Incorporation,” take effect.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) 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	Kimiyasu Marusaki (October 5, 1957)	<p>Apr. 1980 Joined the Company</p> <p>Mar. 2003 General Manager of Sales Department, Zinc and Lead Business Division</p> <p>June 2011 Executive Officer, Deputy General Manager of Zinc and Lead Business Division</p> <p>June 2014 Director and Executive Officer, General Manager of Zinc and Lead Business Division</p> <p>July 2015 Director and Executive Officer, General Manager of Zinc and Lead Business Division and Procurement Control Department</p> <p>June 2016 Director and Managing Executive Officer, General Manager of Zinc and Lead Business Division and Procurement Control Department (current position)</p>	22,000 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Mr. Kimiyasu Marusaki possesses a wealth of operational experience and a proven track record through his involvement with the zinc and lead business division of the Company over many years. The Company proposes to reelect him because he has appropriately fulfilled his roles as Director such as determining vital matters of management and overseeing the execution of business, and he has been a core person of the Group.</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	
2	Tsutomu Imai (December 16, 1953)	Apr. 1977 Mar. 2002 June 2010 June 2012 June 2013 June 2014 June 2016	Joined the Company General Manager of Technology Department, Technology and Development Division Executive Officer, General Manager of Technology and Development Division, and Team Leader of New Electrolysis Tank-house Construction Project Director and Executive Officer, General Manager of Technology and Development Division Director and Executive Officer, General Manager of Chigirishima Smelter and Refinery Director and Managing Executive Officer, General Manager of Chigirishima Smelter and Refinery Director and Senior Managing Executive Officer, General Manager of Chigirishima Smelter and Refinery (current position)	39,000 shares
		(Reasons for nomination as candidate for Director) Mr. Tsutomu Imai possesses a wealth of operational experience and a proven track record through his involvement with the smelter and technology divisions of the Company over many years. The Company proposes to reelect him because he has appropriately fulfilled his roles as Director such as determining vital matters of management and overseeing the execution of business, and he has been a core person of the Group.		
3	Masaaki Yamagishi (February 2, 1958)	Apr. 1980 Feb. 2003 Oct. 2004 June 2008 June 2011 June 2014 June 2015 (Significant Concurrent Positions Outside the Company)	Joined The Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation) Deputy General Manager of Trust Assets Planning Division, The Mitsubishi Trust and Banking Corporation President, Mitsubishi Trust & Banking Corporation (U.S.A.) (currently Mitsubishi UFJ Trust & Banking Corporation (U.S.A.)) Executive Officer, Trust Assets Planning Division, Mitsubishi UFJ Trust and Banking Corporation Executive Officer, Asset Management and Administration Planning Div., Mitsubishi UFJ Financial Group, Inc. Executive Officer, Administration Division, the Company Director and Chief Financial Officer, Administration Division Director, Managing Executive Officer and Chief Financial Officer, Administration Division (current position)	22,000 shares
		(Reasons for nomination as candidate for Director) Mr. Masaaki Yamagishi possesses a wealth of operational experience and a proven track record as he has served in important posts in financial institutions and at the administration division of the Company. The Company proposes to reelect him because he has appropriately fulfilled his roles as Director such as determining vital matters of management and overseeing the execution of business, and he has been a core person of the Group.		

(Note) There is no special interest between any of the candidates and the Company.

Proposal 5: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 3, “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee. Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal, however, can only take effect after the amendments to the Articles of Incorporation in Proposal 3, “Partial Amendments to the Articles of Incorporation,” take effect.

The candidates for Directors who are Audit and Supervisory Committee Members 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	Makoto Aihara (January 24, 1953)	<p>Apr. 1975 Joined The Industrial Bank of Japan, Limited</p> <p>Apr. 2003 General Manager, Osaka Corporate Banking Division No. 1, Mizuho Corporate Bank, Ltd.</p> <p>Apr. 2004 Managing Executive Officer, Mizuho Trust & Banking Co., Ltd.</p> <p>Oct. 2007 Director and Deputy President, Mizuho Private Wealth Management Co., Ltd.</p> <p>Apr. 2012 Director, Mizuho Private Wealth Management Co., Ltd.</p> <p>May 2012 Resigned as Director, Mizuho Private Wealth Management Co., Ltd.</p> <p>June 2012 Audit & Supervisory Board Member, the Company (current position)</p> <p>June 2016 Outside Corporate Auditor, NIPPON STEEL KOWA REAL ESTATE CO.,LTD. (current position)</p> <p>(Significant Concurrent Positions Outside the Company) Outside Corporate Auditor, NIPPON STEEL KOWA REAL ESTATE CO.,LTD.</p>	3,000 shares
<p>(Reasons for nomination as candidate for outside Director)</p> <p>The Company proposes to elect Mr. Makoto Aihara as an outside Director who is an Audit & Supervisory Board Member, judging he will utilize his ample experience and broad insight acquired at financial institutions as well as his proven track record up until now as a Full-Time Audit & Supervisory Board Member of the Company and contribute to ensuring the proper oversight and sound business practices in the overall management of the Company.</p>			
2	Minoru Tada (March 16, 1950)	<p>Apr. 1972 Joined Mitsubishi Corporation</p> <p>Apr. 2002 Division COO, Iron & Steel Div., Mitsubishi Corporation</p> <p>June 2003 President, Mitsubishi Corporation do Brasil S.A.</p> <p>Apr. 2005 Senior Vice President, Mitsubishi Corporation</p> <p>Apr. 2006 Senior Assistant to Group CEO, Metals Group, Mitsubishi Corporation</p> <p>June 2010 Resigned from Mitsubishi Corporation</p> <p>June 2011 Audit & Supervisory Board Member, the Company (current position)</p>	6,000 shares
<p>(Reasons for nomination as candidate for outside Director)</p> <p>The Company proposes to elect Mr. Minoru Tada as an outside Director who is an Audit and Supervisory Committee Member, judging he will utilize his ample experience and broad insight in both domestic operations and overseas businesses acquired at Mitsubishi Corporation as well as his proven track record up until now as an outside Audit & Supervisory Board Member of the Company and contribute to ensuring the proper oversight and sound business practices in the overall management of the Company.</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
3	Toshio Otoba (July 14, 1952)	<p>Apr. 1976 Joined the Company</p> <p>Mar. 2002 General Manager of Treasury Department, Administration Division</p> <p>June 2011 Executive Officer, Deputy General Manager of Administration Division</p> <p>June 2012 Executive Officer, General Manager of Administration Division</p> <p>June 2014 Director and Executive Officer, General Manager of General Affairs Division, Internal Audit Office, and CSR Promotion Office</p> <p>May 2015 Director and Executive Officer, General Manager of General Affairs Division and CSR Promotion Office (current position)</p>	41,000 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>The Company proposes to elect Mr. Toshio Otoba as a Director who is an Audit and Supervisory Committee Member, judging he will utilize his ample experience, proven track record, and broad insight concerning finance, accounting, corporate governance, and compliance acquired through his involvement in the finance and general affairs divisions of the Company over many years and contribute to ensuring the proper oversight and sound business practices in the overall management of the Company.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Mr. Makoto Aihara and Mr. Minoru Tada are candidates for outside Director.
 3. A fact in violation of laws and regulations or the Articles of Incorporation and other facts of improper execution of operations at the Company during the final term of office of a candidate for outside Director as outside Audit & Supervisory Board Member of the Company, and actions taken by the candidate to prevent the occurrence of the fact and in response to the occurrence of the fact
 - In the 116th Term (fiscal year ended March 31, 2015), it was discovered that there had been improper accounting treatment at the SOFT CALM Business Department of the Company. Although Mr. Minoru Tada, who served as an outside Audit & Supervisory Board Member, did not recognize this fact until it was revealed, he has always made statements from a perspective of compliance, such as statements about development of the compliance system. Since the discovery of the fact, he has provided specific recommendations at the Board of Directors meetings and other occasions from the standpoint of importance of compliance issues and prevention of reoccurrence of such improper treatment, including a request to continue group-wide efforts to prevent any reoccurrence of improper execution of operations.
 4. Tenure as outside Audit & Supervisory Board Member of the Company
 - Mr. Makoto Aihara is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as Audit & Supervisory Board Member will have been five (5) years.
 - Mr. Minoru Tada is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as Audit & Supervisory Board Member will have been six (6) years.
 5. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Makoto Aihara and Mr. Minoru Tada to limit the liability for damages under Article 423, paragraph 1 of the same Act. If their reelection is approved, the Company plans to renew these agreements with them. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations. If the election of Mr. Toshio Otoba is approved, the Company plans to enter into the same agreement with him.
 6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Makoto Aihara and Mr. Minoru Tada have been appointed as independent officers. If their reelection is approved, the Company plans to renew their appointments as independent officers.

Proposal 6: Election of Two (2) Substitute Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 3, “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee. Therefore, the Company proposes the election of two (2) substitute Directors who are Audit and Supervisory Committee Members to provide against a case where there would be a shortfall in the number of Directors who are Audit and Supervisory Committee Members stipulated by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal, however, can only take effect after the amendments to the Articles of Incorporation in Proposal 3, “Partial Amendments to the Articles of Incorporation,” take effect.

The candidates for substitute Directors who are Audit and Supervisory Committee Members are as follows.

As for the order in which substitute Directors who are Audit and Supervisory Committee Members take up the post of Audit and Supervisory Committee Member, Mr. Shusaku Osaka takes first priority and Mr. Masashi Shishime takes second priority.

Candidate No.	Name (Date of Birth)	Career Summary, Position in the Company, and Significant Concurrent Positions Outside the Company	Number of the Company’s Shares Owned
1	Shusaku Osaka (April 9, 1962)	Apr. 1997 Registered as attorney-at-law and joined Tetsuji Okawa Law Firm (Registered with the Osaka Bar Association)	0 shares
		Sept. 1999 Joined Sanada Law Firm (Registered with the Tokyo Bar Association) (current position)	
(Reasons for nomination as candidate for substitute outside Director) The Company proposes to elect Mr. Shusaku Osaka as a substitute outside Director who is an Audit and Supervisory Committee Member, expecting that he will utilize his expertise and ample experience in corporate legal affairs as an attorney-at-law to strengthen the effectiveness of decision-making and oversight functions of the Board of Directors of the Company. He has never been directly involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons.			
2	Masashi Shishime (February 16, 1955)	Apr. 1986 Registered as attorney-at-law and joined Kashima Law Firm	0 shares
		Oct. 1997 Established Shishime Law Office June 2006 Outside Audit & Supervisory Board Member, Yokogawa Bridge Holdings Corp. (current position) June 2011 Outside Audit & Supervisory Board Member, The Shibusawa Warehouse Co., Ltd. (current position)	
(Reasons for nomination as candidate for substitute outside Director) The Company proposes to elect Mr. Masashi Shishime as a substitute outside Director who is an Audit and Supervisory Committee Member, expecting that he will utilize his expertise and ample experience in corporate legal affairs as an attorney-at-law to strengthen the effectiveness of decision-making and oversight functions of the Board of Directors of the Company. He has never been directly involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons.			

- (Notes)
1. There is no special interest between either of the candidates and the Company.
 2. Mr. Shusaku Osaka and Mr. Masashi Shishime are candidates for substitute outside Director.
 3. If this proposal is approved and Mr. Shusaku Osaka and Mr. Masashi Shishime assume the office of outside Director, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into agreements with them to limit the liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
 4. If this proposal is approved and Mr. Shusaku Osaka and Mr. Masashi Shishime assume the office of outside Director, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning their appointment as independent officers.

Proposal 7: Determination of the Amounts of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

It was resolved at the 108th Ordinary General Meeting of Shareholders held on June 28, 2007 that the amount of remuneration to be paid to Directors of the Company be set at no greater than ¥15 million a month, and this has remained in place to the present date. However, subject to the approval and adoption of Proposal 3, “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with Audit and Supervisory Committee. Accordingly, pursuant to the provisions of Article 361, paragraph 1 and paragraph 2 of the Companies Act, the Company proposes to abolish the current provision related to the amount of remuneration for Directors and set the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to no greater than ¥15 million a month in consideration of current economic environment and other reasons.

It is to be noted that the remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) does not include the salaries of Directors who serve concurrently as employees.

If Proposal 3, “Partial Amendments to the Articles of Incorporation,” and Proposal 4, “Election of Three (3) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members),” are approved in its original form, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be three (3).

This proposal, however, can only take effect after the amendments to the Articles of Incorporation in Proposal 3, “Partial Amendments to the Articles of Incorporation,” take effect.

Proposal 8: Determination of the Amounts of Remuneration for Directors Who Are Audit and Supervisory Committee Members

If Proposal 3, “Partial Amendments to the Articles of Incorporation,” is approved in its original form, the Company will make the transition to a company with an Audit and Supervisory Committee. Accordingly, pursuant to the provisions of Article 361, paragraph 1 and paragraph 2 of the Companies Act, the Company proposes to set the amount of remuneration for Directors who are Audit and Supervisory Committee Members to no greater than ¥8 million a month in consideration of their duties and responsibilities as well as current economic environment and other reasons.

If Proposal 3, “Partial Amendments to the Articles of Incorporation,” and Proposal 5, “Election of Three (3) Directors Who Are Audit and Supervisory Committee Members,” are approved in its original form, the number of Directors who are Audit and Supervisory Committee Members shall be three (3).

This proposal, however, can only take effect after the amendments to the Articles of Incorporation in Proposal 3, “Partial Amendments to the Articles of Incorporation,” take effect.

Proposal 9: Payment of Bonuses to Directors

In consideration of the performance, etc. of the fiscal year under review, the Company proposes to pay bonuses of ¥50 million in total to the five (5) Directors (excluding two (2) outside Directors) in office at the end of the fiscal year under review.

Furthermore, the Company requests to entrust the decision of individual amounts to be paid to each Director to the discretion of the Board of Directors.