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Securities Code: 6569
June 10, 2019

Dear Shareholders

Takuo Yabana
President, CEO & Representative Director
N I S S O C O R P O R A T I O N
1-4-1 Shin Yokohama, Kohoku-ku, Yokohama

Notice of the 39th Ordinary General Meeting of Shareholders

We would like to express our gratitude to all of our shareholders for your continued support.

This is to notify you that the 38th Ordinary General Meeting of Shareholders of NISSO CORPORATION (the "Company") will be held as described below. Your attendance at the meeting is cordially requested.

If you are unable to attend the meeting, you may exercise your voting rights either in writing or electromagnetically (via the internet, etc.). To do so, please kindly indicate your approval or disapproval on the voting rights exercise form enclosed herewith and return it to arrive by the 6 pm on June 26, 2019 (Wednesday) deadline.

1. **Date and Time** Thursday, June 27, 2018 at 10:00 a.m. (Japan Standard Time)
(Reception starts at 9:00 a.m.)
 2. **Venue** Shin Yokohama Prince Hotel, 3F Nocturne Banquet Hall
3-4 Shin Yokohama, Kohoku-ku, Yokohama
(Please refer to the guide map for the venue at the end.)
 3. **Agenda for the Meeting**
 1. Business Report and Consolidated Financial Statements for the 39th Fiscal Year (April 1, 2018 - March 31, 2019) and the results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Board
 2. Non-consolidated Financial Statements for the 39th Fiscal Year (April 1, 2018 - March 31, 2019)
- Items to be reported**
- Items to be resolved**
- | | |
|-------------------|---|
| Proposal 1 | Appropriation of Surplus |
| Proposal 2 | Election of 6 Managing Directors |
| Proposal 3 | Revision of the Amount of Remuneration for Managing Directors |
| Proposal 4 | Payment of Remuneration for the Allotment of Restricted Shares to Managing Directors Subject to Proposal 3 Approval |

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For those attending, please kindly submit the enclosed voting rights exercise form at the reception desk upon arrival at the meeting.

Among the documents that should be provided in this notice, the "Notes to Consolidated Financial Statements" and the "Notes to Non-consolidated Financial Statements" are posted on the Company's website (Address <https://www.nisso.co.jp/>) in accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, and are not provided within this notice. Therefore, the Business Report, consolidated financial statements, and non-consolidated financial statements provided in this notice are parts of the Business Report, consolidated financial statements and non-consolidated financial statements that were audited by the Accounting Auditor or Audit & Supervisory Board members when preparing the accounting audit report or audit report.

In the event that revisions are made to the Reference Materials for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Non-consolidated Financial Statements, please refer to the Company website (<https://www.nisso.co.jp/>) where we will post the revised matters on the internet.

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*For institutional investors, it is possible to use the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc.

Reference Materials for the General Meeting of Shareholders

Proposal 1 Appropriation of Surplus

The Company considers the redistribution of profits to shareholders as one of its most important management issues, and while maintaining stable dividends with consideration to future business development, we would like to propose the year-end dividends for the 39th Fiscal Year as follows.

Matters Concerning Year-end Dividends

- ① Type of asset distributed as dividend

Cash.

- ② Matters concerning allocation of assets distributed as dividends and total amount

37 yen per share of common stock of the Company

Total dividend amount: 620,878,981 yen

(Note) The Company implemented a split of common stock at a ratio of 2 shares for 1 share with the effective date of May 1, 2019. With regard to the year-end dividend for the current fiscal year (39th Fiscal Year), since the dividend record date was March 31, 2019, dividends will be paid based on the number of shares prior to the implementation of the stock split.

- ③ Effective date of distribution of dividends of surplus

June 28, 2019.

Proposal 2 Election of 6 Managing Directors

The terms of office for all Managing Directors (6) will expire at the conclusion of this General Meeting of Shareholders. Therefore, we kindly ask that you elect the 6 Managing Directors (including 2 External Managing Directors) once again.

The Candidates for Managing Director are as follows.

Candidate No. 1	Ryuichi Shimizu	Reappointment	No. of the Company's Shares Owned 40,000 Shares
Date of Birth May 30, 1961			
Career Summary, Position and Responsibility in the Company			
1988	Jul.	Joined the Company	
1990	Oct.	Toyota Sales Office Manager	
1991	Aug.	Managing Director & Toyota Sales Office Manager	
1993	Feb.	Managing Director & Production Business Department Director	
1997	Apr.	Managing Director & Administration Department Director	
1998	Sep.	Senior Managing Director	
2001	Jun.	Executive Vice President	
2004	Apr.	President, COO & Representative Director	
2019	Apr.	Chairman & Representative Director (present)	
■Significant Concurrent Positions			
CW Holdings Co., Ltd. Representative Director			
Shimizu Holdings Co., Ltd. Managing Director			
Nisso Nifty Co., Ltd. Managing Director			
Japan Production Skill Labor Association Vice Chairman			
■Reasons for nomination as Managing Director candidate			
Since joining the Company, Ryuichi Shimizu has been involved in making key business decisions for the development of the manufacturing-related human resources service business, and has an abundance of business experience, achievements and insight as a management executive. Since there are high expectations for him to contribute to the realization of management strategies for the further expansion of the Company's business in the future, the Company has deemed him to be well-qualified and therefore he has been nominated as a candidate for Managing Director.			

Candidate No. 2	Takuo Yabana	Reappointment	No. of the Company's Shares Owned 14,000 Shares
Date of Birth May 16, 1959			
Career Summary, Position and Responsibility in the Company			
1998	Apr.	Joined the Company	
2003	Oct.	No. 3 Business Department Director	
2005	Apr.	Executive Officer & Kita-Kanto/Minami-Kanto Business Department Director	
2007	Oct.	Senior Executive Officer & Affiliates Development Department Director	
2014	Apr.	Kita-Nihon Area Manager & Sales Division Director	
2015	Apr.	Managing Director, Business Department Director & Sales Division Director	
2016	Apr.	Senior Managing Director & Business Department Director	
2018	Apr.	Executive Vice President & Business Department Director	
2018	Oct.	Executive Vice President & Representative Director	
2019	Apr.	President, CEO & Representative Director (present)	
■Significant Concurrent Positions			
Nisso Brain Co., Ltd. Managing Director			
■Reasons for nomination as Managing Director candidate			
<p>Since joining the Company, Takuo Yabana has gained extensive business experience and in-depth insight in the fields of sales and human resources development, and has demonstrated strong leadership since assuming the office of Managing Director in 2015. Based on the results of its improved business performance which is attributable to him, the Company has deemed him to be well-qualified to expand the manufacturing-related human resources service business and to strengthen the competitiveness of the Company, and therefore he has been nominated as a candidate for Managing Director.</p>			

Candidate No. 3	Tadao Shimizu	Reappointment	No. of the Company's Shares Owned 996,400 Shares
	Date of Birth	Aug. 21, 1936	
Career Summary, Position and Responsibility in the Company			
1958	Sep.	Joined NKK (current: JFE Steel Corporation)	
1971	Feb.	Established Nisso Koei Co., Ltd. (the Company's predecessor) Representative Director	
1980	Aug.	Established the Company, Representative Director	
2001	Jun.	Chairman, President & Representative Director	
2004	Apr.	Chairman, CEO & Representative Director	
2019	Apr.	Managing Director (present)	
■Significant Concurrent Positions			
Social Welfare Corporation, Modern Elderly Social Welfare Association Chairman			
Shimizu Holdings Co., Ltd. President & Representative Director			
■Reasons for nomination as Managing Director candidate			
Since establishing the Company, Tadao Shimizu has been involved in management for over 40 years, and has gained a wealth of experience and deep insight, in addition to a tremendous track record of enhancing corporate value. The Company has deemed him to be well-qualified to be able to provide guidance hereafter on overall management from an accurate perspective that has been well-supported by his experiences, and therefore he has been nominated as a candidate for Managing Director.			

Candidate No. 4	Shinichi Matsuo	Reappointment	No. of the Company's Shares Owned 32,000 Shares
	Date of Birth	Oct. 26, 1960	
Career Summary, Position and Responsibility in the Company			
1984	Mar.	Joined the Company	
2001	Jul.	Business No. 2 Division Director	
2005	Apr.	Executive Officer & Chubu-Tokai Business Division Director	
2007	Oct.	Senior Executive Officer & Administration Department Deputy Director	
2015	Apr.	Executive Officer & Administration Department Director	
2016	Apr.	Managing Director, Administration Dept. & General Affairs · Personnel Division Director	
2018	Apr.	Managing Director, Administration Department Director & General Affairs Division Director	
2019	Apr.	Managing Director (present)	
■Significant Concurrent Positions			
Nisso Pure Co., Ltd. Managing Director			
■Reasons for nomination as Managing Director candidate			
Since joining the Company, Shinichi Matsuo has gained a wide range of business experience in areas such as sales, general affairs, personnel and labor, in addition to accounting and finance. The Company has deemed him to be well qualified to strengthen the Group's compliance and risk management, as well as enhancing corporate value, and therefore he has been nominated as a candidate for Managing Director.			

Candidate No.		Reappointment	External	
5	Shigeru Horisawa	Date of Birth Apr. 26, 1950		No. of the Company's Shares Owned — Shares
Career Summary, Position and Responsibility in the Company				
1974	Jun.	Joined Keio University Co-operative Association		
1984	Aug.	Joined TOKYO LEGAL MIND K.K.		
1988	Sep.	Joined Waseda Keiei Gakuin		
1994	Dec.	Joined Legal Research and Training Institute		
1997	Apr.	Registered as Attorney-at-Law Joined Bashamichi Law Office		
2006	Sep.	Established Kannai General Law Office, Representative Director (present)		
2016	Jun.	Assumed the position of External Managing Director of the Company (present)		
■Significant Concurrent Positions				
Kannai General Law Office Representative Director				
Social Welfare Corporation, Shirayurikai Third-Party Committee Member				
Social Welfare Corporation, Tsurumi Infant Welfare Center Director				
■Reasons for nomination as External Managing Director candidate				
Shigeru Horisawa is the Representative Director of the Kannai General Law Office. Although he has not been involved in the management of a company other than becoming an External Officer in the past, he has profound insight and considerable experience as an attorney, and assumed the office of External Managing Director of the Company in June 2016. Since he is able to provide expert opinions from his professional viewpoint as an attorney, the Company has deemed him to be well-qualified to fulfill the supervisory functions of overall management, and therefore he has been nominated as a candidate for External Managing Director.				

Candidate No. 6	Shin Monzawa	<input checked="" type="checkbox"/> Reappointment <input type="checkbox"/> External	No. of the Company's Shares Owned – Shares																														
	Date of Birth	Oct. 7, 1979																															
<p>Career Summary, Position and Responsibility in the Company</p> <table border="0"> <tr><td>2006</td><td>Apr.</td><td>Joined Mazda Motor Corporation</td></tr> <tr><td>2008</td><td>Jan.</td><td>Joined A&A Partners</td></tr> <tr><td>2010</td><td>Jul.</td><td>Registered as Certified Public Accountant</td></tr> <tr><td>2011</td><td>Oct.</td><td>Joined KJP Co., Ltd.</td></tr> <tr><td>2012</td><td>Jul.</td><td>Joined PLUTUS CONSULTING Co., Ltd.</td></tr> <tr><td>2013</td><td>Apr.</td><td>Joined Deloitte Touche Tohmatsu LLC</td></tr> <tr><td>2014</td><td>Apr.</td><td>Joined PLUTUS CONSULTING Co., Ltd.</td></tr> <tr><td>2016</td><td>Nov.</td><td>Established Monzawa CPA Office, Representative Director (present)</td></tr> <tr><td>2017</td><td>Jun.</td><td>Assumed the position of External Managing Director of the Company (present)</td></tr> <tr><td>2019</td><td>Mar.</td><td>PLUTUS Management Advisory Co., Ltd. President & Representative Director (present)</td></tr> </table> <p>■Significant Concurrent Positions</p> <p>Monzawa Certified Public Accountant Office Representative Director General Incorporated Association, Toranomokai Director PLUTUS Management Advisory Co., Ltd. President & Representative Director</p> <p>■Reasons for nomination as External Managing Director candidate</p> <p>Shin Monzawa is the Representative Director of the Monzawa CPA office, and assumed the office of External Managing Director of the Company in June 2017. Based on his specialized knowledge and experiences, the Company has deemed him to be well-qualified to fulfill the supervisory functions of overall management from an objective and neutral perspective, and therefore he has been nominated as a candidate for External Managing Director.</p>				2006	Apr.	Joined Mazda Motor Corporation	2008	Jan.	Joined A&A Partners	2010	Jul.	Registered as Certified Public Accountant	2011	Oct.	Joined KJP Co., Ltd.	2012	Jul.	Joined PLUTUS CONSULTING Co., Ltd.	2013	Apr.	Joined Deloitte Touche Tohmatsu LLC	2014	Apr.	Joined PLUTUS CONSULTING Co., Ltd.	2016	Nov.	Established Monzawa CPA Office, Representative Director (present)	2017	Jun.	Assumed the position of External Managing Director of the Company (present)	2019	Mar.	PLUTUS Management Advisory Co., Ltd. President & Representative Director (present)
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2016	Nov.	Established Monzawa CPA Office, Representative Director (present)																															
2017	Jun.	Assumed the position of External Managing Director of the Company (present)																															
2019	Mar.	PLUTUS Management Advisory Co., Ltd. President & Representative Director (present)																															

(Note)

1. There are no special interests between each candidate and the Company.
2. Among the candidates for Managing Director, Shigeru Horisawa and Shin Monzawa are External Managing Directors.
3. Shigeru Horisawa and Shin Monzawa are currently External Managing Directors of the Company, and they will have served as External Managing Directors for 3 years and 2 years, respectively, at the conclusion of this General Meeting.
4. Shigeru Horisawa is currently serving as an External Managing Director of the Company, and pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Shigeru Horisawa to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. If the re-election of Shigeru Horisawa is approved, the Company plans to renew the aforementioned agreement with him.
5. Shin Monzawa is currently serving as an External Managing Director of the Company, and pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Shin Monzawa to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. If the re-election of Shin Monzawa is approved, the Company plans to renew the aforementioned agreement with him.
6. The Company has reported Shigeru Horisawa and Shin Monzawa as Independent Officers as provided for by the Tokyo Stock Exchange. If Shigeru Horisawa and Shin Monzawa are re-elected, their appointments as Independent Officers are planned to continue.

Proposal 3 Revision of the Amount of Remuneration for Managing Directors

With regards to the amount of remuneration for Managing Directors of the Company, it was approved at the 26th Ordinary General Meeting of Shareholders held on June 28, 2006 that the total amount shall be within the limit of 400 million yen per year (including the amount of stock option remuneration, and excluding employee salaries). On this occasion, in order to enhance the sustainable corporate value of the Company, in addition to providing incentives for the realization of the medium-term management plan and the achievement of short-term performance, the remuneration system for Managing Directors has been reviewed for the purpose of sharing profits between the shareholders and Managing Directors.

In the event that this Proposal and Proposal 4 "Payment of Remuneration for the Allotment of Restricted Shares to Managing Directors Subject to Proposal 3 Approval" regarding the new remuneration system is approved, the approval for the remuneration for Managing Directors, consisting of basic remuneration (fixed remuneration) within the limit of 300 million yen per year (of which the amount for External Managing Directors to be within the limit of 30 million yen per year), and performance-linked remuneration (monetary remuneration) linked to the achievement level of company-wide performance (consolidated operating profit) in a single fiscal year as short-term incentive remuneration within the limit of 300 million yen per year (no provision to External Managing Directors), is requested.

In addition, the Company will introduce a new restricted share remuneration system as medium- and long-term incentive remuneration, and provide monetary remuneration claims within the limit of 50 million yen per year. With regards to the restricted share remuneration system, it will be discussed in Proposal 4 "Payment of Remuneration for the Allotment of Restricted Shares to Managing Directors Subject to Proposal 3 Approval".

The above remuneration amounts exclude the portions of employee salaries of Managing Directors concurrently serving as employees.

There are currently 6 Managing Directors (of which 2 are External Directors), and in the event that Proposal 2 "Election of 6 Managing Directors" is approved, the number of Managing Directors will remain the same at 6 (of which 2 are External Directors).

Proposal 4 Payment of Remuneration for the Allotment of Restricted Shares to Managing Directors Subject to Proposal 3 Approval

The Company, on the condition of the approval of Proposal 3 "Revision of the Amount of Remuneration for Managing Directors", will provide incentives to continuously enhance corporate value, by further strengthening the link between the remuneration of Managing Directors (excluding External Managing Directors, hereinafter, "Eligible Managing Directors") and stock values. At the same time, with the aim of promoting the further sharing of values between Eligible Managing Directors and shareholders, the Company will introduce a restricted share remuneration system (hereinafter, the "System"). In addition, the approval for the provision each fiscal year for the total amount of monetary remuneration claims to be paid to Eligible Managing Directors, in principle, as the amount considered to be equivalent based on the above purpose, as described in Proposal 3 "Revision of the Amount of Remuneration for Managing Directors", to be within the limit of 50 million yen per year, is requested. The timing and distribution of specific payments to each Eligible Managing Director shall be determined by the Board of Directors.

Although there are currently 6 Managing Directors (of which 2 are External Directors), in the event that Proposal 2 "Election of 6 Managing Directors" is approved, the number of Managing Directors will remain the same at 6 (of which 2 are External Directors).

Based on the resolution of the Board of Directors of the Company, Eligible Managing Directors shall provide the Company with all of the monetary remuneration claims to be paid as properties contributed in kind, and shall receive the issuance or disposition of the common stock of the Company. In addition, the total number of common stock to be issued or disposed of by Eligible Managing Directors under the System shall be within the limit of 80,000 shares per year. However, with regards to common stock, in the event that the Company implements a stock split whose effective date is after the date of resolution of the General Meeting of Shareholders, or performs acts that may affect the stock value per share, such as stock consolidation, the total number of common stock to be issued or disposed of in accordance with the System shall be reasonably adjusted taking into consideration the split ratio, consolidation ratio, etc. The amount to be paid in per share is based on the closing price of common stock on the Tokyo Stock Exchange on the previous business day of the date of resolution of each Board of Directors' Meeting to determine the subscription requirements of common stock (if there is no closing price on the same day, the closing price of the closest preceding transaction day), and the Board of Directors will decide on the amount that is not particularly favorable to Eligible Managing Directors.

In addition, upon the issuance or disposition of common stock, the Company and Eligible Managing Directors shall conclude a restricted shares allotment agreement (hereinafter, the "Allotment Agreement") which include the following contents (common stock allotted under the Allotment Agreement are hereinafter referred to as "Allotted Shares").

(1) Transfer Restriction Period

Eligible Managing Directors shall not transfer, attach security interests, make living donations, or otherwise dispose of Allotted Shares for 30 years from the date of payment of Allotted Shares (hereinafter, "Transfer Restriction Period").

(2) Conditions for Removal of Transfer Restrictions

On the condition that Eligible Managing Directors remain in the position of Managing Director of the Company during the Transfer Restriction Period, transfer restrictions shall be removed for all Allotted Shares upon the expiration of the Transfer Restriction Period.

However, in the event that an Eligible Managing Director resigns or retires for a legitimate reason, or resigns or retires due to death before the expiration of the Transfer Restriction Period, the number of shares to be removed from transfer restrictions, and the timing of the removal of transfer restrictions shall be reasonably adjusted as deemed necessary.

(3) Reason for Gratis Acquisition

At the time of the removal of transfer restrictions set forth in (2) above, in the event that there are Allotted Shares for which transfer restrictions have not been removed, the Company shall justifiably acquire such shares without consideration.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provisions of (1) above, in the event that matters regarding merger contracts under which the Company

becomes an extinct (absorbed) company, share exchange agreements or share transfer plans under which the Company becomes a wholly owned subsidiary of another company, or other matters concerning organizational restructuring, etc. are approved at the General Meeting of Shareholders (or at a Board of Directors' Meeting of the Company in the event that approval by the General Meeting of Shareholders of the Company is not required regarding the organizational restructuring concerned, etc.) during the Transfer Restriction Period, by the resolution of the Board of Directors of the Company, the Company shall remove the transfer restrictions before the effective date of the organizational restructuring, etc., concerned, with regard to the number of Allotted Shares that are reasonably determined in accordance with the period from the date of allotment to the date of approval of the organizational restructuring, etc., concerned. In such an event, the Company shall justifiably acquire the Allotted Shares without consideration, for which the transfer restrictions have not yet been removed, at the time immediately after the removal of transfer restrictions.

(5) Other Matters

Other matters relating to the Allotment Agreement shall be determined by the Board of Directors of the Company.

Furthermore, in order to prevent the transfer, attachment of security interests, making of living donations, or other disposition of shares allotted to Eligible Managing Directors under the System during the Transfer Restriction Period, such shares shall be managed through dedicated accounts established by Eligible Managing Directors at a securities company specified by the Company.