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(Stock Exchange Code: 5333)
June 7, 2016

To Shareholders:

Taku Oshima
Representative Director and President
NGK INSULATORS, LTD.
2-56, Suda-cho, Mizuho-ku, Nagoya, Japan

CONVOCATION NOTICE OF THE 150TH ANNUAL SHAREHOLDERS' MEETING

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

First, we would like to express our deepest sympathy to the victims of the 2016 Kumamoto Earthquake.

You are cordially invited to attend the 150th Annual Shareholders' Meeting of NGK INSULATORS, LTD. (the "Company"). The meeting will be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights in either of the ways described below. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights.

[Exercising voting rights in writing]

Indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it reaches us by 5:15 p.m. on Tuesday, June 28, 2016, Japan time.

[Exercising voting rights via the Internet]

Please input your vote for or against the proposal by 5:15 p.m. on Tuesday, June 28, 2016, Japan time.

1. **Date and Time:** Wednesday, June 29, 2016 at 10:00 a.m., Japan time

2. **Place:** Conference room on the first floor of the main building of the Company located at 3-16, Mutsuno 1-chome, Atsuta-ku, Nagoya, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 150th Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the Company's 150th Fiscal Year (April 1, 2015 - March 31, 2016)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of 12 Directors
Proposal 3: Election of 1 Audit & Supervisory Board Member

4. Matters concerning the Exercise of Voting Rights:

If you exercise your voting right both in writing and via the Internet, the Company will only deem the exercise via the Internet valid.

Also, if you exercise your voting right multiple times via the Internet, the Company will only deem the last exercise valid. If you exercise your voting right by a personal computer, smartphone and mobile phone, the Company will only deem the last exercise valid.

◎ **When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk. Reception is scheduled to start at 8:45 a.m. on the day of the Meeting.**

◎ **Please note that persons who are not shareholders such as non-shareholding agents and companions are not allowed to attend the Meeting.**

Reference Documents for the Shareholders' Meeting

Proposal 1: Appropriation of Surplus

Taking into account such factors as strengthening of our business structure, future business development and earnings conditions, the year-end dividend for the year ended March 31, 2016 is proposed as follows.

Matters concerning the year-end dividend

(1) Type of property distributed as dividend:
Cash

(2) Matters concerning the allocation of the dividend property to shareholders and the total amount thereof:
20 yen per share of the Company's common shares, 6,531,576,140 yen in total

(3) Effective date of the dividend from surplus:
Thursday, June 30, 2016

Proposal 2: Election of 12 Directors

The terms of office of all 12 Directors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the election of 12 Directors is proposed.

The candidates for Director are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Eiji Hamamoto (July 20, 1949)	March 1973 Joined the Company June 1999 Director of the Company June 2001 Executive Director of the Company June 2005 Director and Senior Vice President of the Company June 2007 Representative Director and Senior Vice President of the Company April 2011 Representative Director and Executive Vice President of the Company June 2014 Representative Director and Chairman of the Company (current position)	15,000
	[Reasons for the appointment of candidate for Director] Having engaged in such various administrative divisions as finance, accounting, and human resources at the Company, followed by Group Executives of Power Business Group and Electronics Business Group, our core businesses, Mr. Eiji Hamamoto served as Representative Director and Executive Vice President after 2011, and now he has been serving as Representative Director and Chairman of the Company since 2014. We reappointed him as a candidate of Director because he possesses global vision as well as knowledge in the overall corporate management cultivated through his ample experience at the Company.		
2	Taku Oshima (July 14, 1956)	March 1980 Joined the Company June 2007 Vice President of the Company June 2011 Senior Vice President of the Company June 2014 Representative Director and President of the Company (current position)	6,000
	[Reasons for the appointment of candidate for Director] After joining the Company, Mr. Taku Oshima belonged to Manufacturing Engineering Division, and experienced start-up of manufacturing lines at overseas subsidiaries. In addition, he engaged in the development and massive-volume production of NAS® batteries from the beginning, working on design, manufacturing, and marketing as Head of the NAS battery business, the world first large scale energy storage system. He has been serving as Representative Director and President since 2014. We reappointed him as a candidate of Director because he owns abundant experience at the Company and insights in business operations.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>Yukihisa Takeuchi
(December 7, 1955)</td><td>March 1978 Joined the Company
June 2004 Director of the Company
June 2005 Vice President of the Company
June 2008 Senior Vice President of the Company
June 2011 Director and Senior Vice President of the Company
June 2014 Director and Senior Vice President of the Company
June 2015 Representative Director and Executive Vice President of the Company (current position)
(Responsibilities)
Assistant to President
Group Executive, Corporate R&D, and Development Committee Chair</td><td>10,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
Mr. Yukihisa Takeuchi engaged in the commercialization of piezoelectric microactuators mainly developed in R&D division and established it as a core product. From 2011, he worked diligently on the development of new products as Director, Senior Vice President, and Group Executive of Corporate R&D, and now he has been serving as Representative Director and Executive Vice President since 2015. We reappointed him as a candidate of Director because he owns abundant experience at the Company and insights in business operations.</td></tr>
<tr><td rowspan="2">4</td><td>Susumu Sakabe
(August 15, 1958)</td><td>March 1981 Joined the Company
June 2007 Vice President of the Company
June 2010 Director and Vice President of the Company
June 2011 Director and Senior Vice President of the Company
June 2015 Director and Senior Vice President of the Company (current position)
(Responsibilities)
In charge of Finance & Accounting Dept. and Purchasing Dept.
General Manager, Tokyo Main Office
(Significant concurrent position)
Outside Director, METAWATER Co., Ltd.</td><td>9,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
After joining the Company, Mr. Susumu Sakabe accumulated business experience mainly in finance divisions and also served as General Managers of Business Planning Department in administrative divisions as well as operational divisions at the Company’s domestic and overseas subsidiaries. Currently, he serves as Director and Senior Vice President, actively engaging in the revision of internal rules mainly on accounting and taxation, organizational restructuring, and engagement in dialogue with investors, among other activities. We reappointed him as a candidate of Director because he has abundant experience in business operations at the Company and highly advanced knowledge in finance field.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Hiroshi Kanie
(July 9, 1957)</td><td>March 1981 Joined the Company
June 2010 Vice President of the Company
June 2012 Senior Vice President of the Company
June 2014 Director and Senior Vice President of the Company
June 2015 Director and Senior Vice President of the Company (current position)
(Responsibilities)
Group Executive, Ceramic Products Business Group,
General Manager, Nagoya Site
(Significant concurrent positions)
Chairman, NGK CERAMICS EUROPE S.A.
Chairman, NGK CERAMICS SUZHOU CO., LTD.</td><td>5,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
Mr. Hiroshi Kanie has gained experience in business operations in Industrial Process Division, such areas as sales and marketing and business planning as well as in management in Head Office as General Manager of Secretarial Office. Currently, he serves as Director and Senior Vice President, leading Ceramic Products Business Group, our largest business. We reappointed him as a candidate of Director because of his ample experience in business operations at the Company and knowledge in the said Group as well as his broad network of connections both inside and outside the Company.</td></tr>
<tr><td rowspan="2">6</td><td>Ryohei Iwasaki
(January 30, 1960)</td><td>March 1982 Joined the Company
June 2008 Vice President of the Company
June 2009 Director and Vice President of the Company
June 2012 Director and Senior Vice President of the Company (current position)
(Responsibilities)
In charge of Corporate Strategy Office, New Business Planning Office, Secretarial Office, Public Relations Office, and Human Resource Dept., Senior Officer in charge of Group Companies
(Significant concurrent position)
Director of the Board, NGK Electronics Devices Inc.</td><td>10,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
Mr. Ryohei Iwasaki has accumulated a variety of practical experience in business operations including engagement in sales and marketing in Ceramic Products Business Group followed by overseas subsidiaries' management, as well as such position as General Manager of Corporate Strategy Office and Group Executive of Electronics Business Group. He currently is responsible as Director and Senior Vice President for Corporate Strategy Office and New Business Planning Office. We reappointed him as a candidate of Director because he possesses an ample experience at the Company and knowledge in business operations.</td></tr>
<tr><td rowspan="2">7</td><td>Hideaki Saito
(August 6, 1957)</td><td>March 1982 Joined the Company
June 2008 Vice President of the Company
June 2009 Director and Vice President of the Company
June 2012 Vice President of the Company
June 2014 Director and Senior Vice President of the Company (current position)
(Responsibilities)
Group Executive, Power Business Group</td><td>5,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
After joining the Company, Mr. Hideaki Saito engaged in sales and marketing in Industrial Process Division, followed by serving as Chairman of NGK WORKERS' UNION Central Executive Committee and General Manager of Sales Division in Power Business Group. He currently serves as Director, Senior Vice President and Group Executive of Power Business Group, leading the operations of the said Group. We reappointed him as a candidate of Director because he possesses an ample experience at the Company, broad network of connections both inside and outside the Company, and knowledge in business operations.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">8</td><td>Shuhei Ishikawa
(December 10, 1959)</td><td>March 1984 Joined the Company
June 2010 Vice President of the Company
June 2014 Senior Vice President of the Company
June 2015 Director and Senior Vice President of the Company (current position)
(Responsibilities)
Group Executive, Electronics Business Group,
General Manager, Chita Site
(Significant concurrent position)
Chairman, NGK Electronics Devices Inc.</td><td>6,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
After joining the Company, Mr. Shuhei Ishikawa engaged in technology and development in New Metals Division and fostered his knowledge in manufacturing technology and new product development in the said Division. Following having served as General Manager of New Metals Division, he currently serves as Director, Senior Vice President, and Group Executive of Electronics Business Group, leading the operation thereof. We reappointed him as a candidate of Director because he possesses an ample experience at the Company and a wealth of knowledge in the electronics industry.</td></tr>
<tr><td rowspan="2">9</td><td>Nobumitsu Saji
(July 3, 1958)</td><td>March 1984 Joined the Company
June 2013 Vice President of the Company
June 2014 Director and Vice President of the Company
June 2015 Director and Senior Vice President of the Company (current position)
(Responsibilities)
In charge of Auditing Dept., CSR Office, Global Compliance Office, Legal Dept., Intellectual Property Dept., and General Affairs Dept., General Manager, Global Compliance Office, CSR Committee Chair, Internal Controls Committee Chair, and General Manager, Osaka Site</td><td>4,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
Following a variety of experience in such areas as sales and marketing in Power Business Group, finance division, overseas subsidiaries, and secondment to external organizations, Mr. Nobumitsu Saji served as General Managers of Business Planning Department in multiple business groups and assumed a position of General Manger of Legal Department afterwards. He currently serves as Director and Senior Vice President, responsible for legal affairs and compliance-related divisions, as well as leading the Company’s legal compliance system as a whole. We reappointed him as a candidate of Director because he possesses an ample experience at the Company and global insights in the legal field.</td></tr>
<tr><td rowspan="2">10</td><td>Chiaki Niwa
(February 16, 1960)</td><td>March 1984 Joined the Company
June 2013 Vice President of the Company
June 2015 Director and Vice President of the Company (current position)
(Responsibilities)
Group Executive, Corporate Manufacturing Engineering, In charge of Environmental Management Dept. Quality Management Dept. and Safety and Health Management Dept., Facilities Committee Chair, NGK Environmental Protection Committee Chair, Quality Committee Chair, and Safety and Health Committee Chair</td><td>3,000</td></tr>
<tr><td colspan="3">[Reasons for the appointment of candidate for Director]
After his long engagement in engineering business division (currently, an independent company) and plant technology division in Industrial Process Division, Mr. Chiaki Niwa currently serves as Director, Vice President and Group executive of Corporate Manufacturing Engineering, playing a role of promoting new/reformed manufacturing structures as a whole. We reappointed him as a candidate of Director because he has gained an ample experience at the Company as well as deep knowledge in project management and manufacturing technology.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Hiroyuki Kamano (July 21, 1945)	April 1971 Joined the Ministry of Foreign Affairs April 1979 Legal Training and Research Institute, the Supreme Court April 1981 Registered as attorney-at-law October 1988 Managing Partner, Kamano Sogo Law Offices (current position) June 2007 Outside Audit & Supervisory Board Member, Komatsu Ltd. July 2007 Outside Director, SUMITOMO LIFE INSURANCE COMPANY April 2009 Vice-President, Tokyo Bar Association June 2011 Director of the Company (current position) June 2015 Outside Audit & Supervisory Board Member, HOUSE FOOD GROUP INC. (current position) (Significant concurrent position) Managing Partner, Kamano Sogo Law Offices Outside Audit & Supervisory Board Member, HOUSE FOOD GROUP INC.	0
	[Reasons for the appointment of candidate for Outside Director] Having long engaged in legal practice as an attorney-at-law, Mr. Hiroyuki Kamano possesses a wealth of experience and achievements in the legal community, including his service as Vice-President of Tokyo Bar Association. By utilizing these careers, he has been appropriately fulfilling his duties as an Outside Director of the Company to enhance the Company's corporate governance by ways of offering opinions and advice regarding overall management of the Company. Based on these reasons, we reappointed him as a candidate for Outside Director.		
12	Toshio Nakamura (July 22, 1946)	April 1970 Joined the Ministry of International Trade and Industry June 1998 Vice-Minister for Policy Coordination, Minister's Secretariat September 1999 Director for Trade Bureau June 2000 Director-General of the Small and Medium Sized Enterprise Agency November 2007 President, The Japan Chamber of Commerce and Industry and President, The Tokyo Chamber of Commerce and Industry October 2009 Outside Director, the Enterprise Turnaround Initiative Corporation of Japan (currently, Regional Economy Vitalization Corporation of Japan) (current position) June 2011 Director of the Company (current position) March 2016 Chairman, National Association of Trade Promotion for Small and Medium Enterprises (current position) (Significant concurrent positions) Outside Director, Regional Economy Vitalization Corporation of Japan Chairman, National Association of Trade Promotion for Small and Medium Enterprises	0
	[Reasons for the appointment of candidate for Outside Director] Having served as Director for Trade Bureau of the Ministry of International Trade and Industry, Director-General of the Small and Medium Sized Enterprise Agency, and President of The Japan Chamber of Commerce and Industry, Mr. Toshio Nakamura has long been playing a vital role in the promotion of commerce and industry. By leveraging his knowledge and abundant experience cultivated through these careers, he has been appropriately fulfilling his duties as an Outside Director of the Company to enhance the Company's corporate governance by ways of offering opinions and advice regarding overall management of the Company. Based on these reasons, we reappointed him as a candidate for Outside Director.		

(Notes)

1. The Company has delegated the post of Independent Committee Chair to Mr. Hiroyuki Kamano, has paid the consideration and expenses for such delegation during the last two years, and anticipates such payment in the future. There is no special interest between other candidates for Director and the Company.
2. Matters concerning the candidates for Outside Director are as follows.
   (1) Messrs. Hiroyuki Kamano and Toshio Nakamura are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company has filed Independent Directors/Auditors Notification with Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. to designate Mr. Toshio Nakamura as Independent Director.
   (2) The Company entered into a Plea Agreement with the U.S. Department of Justice (DOJ) in September 2015, agreeing to pay a fine etc. based on charges that it violated U.S. laws including antitrust law in connection with some transactions for ceramic substrates for catalytic converters. Messrs. Hiroyuki Kamano and Toshio Nakamura have been offering opinions and advices at the Board of Directors from the point of view of legal

compliance, and following this incident, they are proactively fulfilling roles to improve compliance system including compliance with competition laws through activities at Independent Committee.

(3) Although Messrs. Hiroyuki Kamano and Toshio Nakamura have never been involved in corporate management except as Outside Director or Outside Audit & Supervisory Board Member, the Company has judged that they are capable of performing their duties appropriately as Outside Directors due to the reasons stated in Reasons for the appointment of candidate for Outside Director above.

(4) Messrs. Hiroyuki Kamano and Toshio Nakamura are currently in office as Outside Directors of the Company, and will have served for five years as Outside Directors at the conclusion of this Annual Shareholders' Meeting.

(5) Overview of the liability limitation agreement

The Company has entered into a liability limitation agreement with each of Messrs. Hiroyuki Kamano and Toshio Nakamura, which provides that if an Outside Director is without knowledge and is not grossly negligent in performing his/her duties, the liability of the Director to the Company under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount provided in Article 425, Paragraph 1 of the Companies Act. Subject to the approval of the reappointment of them, the Company intends to continue the liability limitation agreements with them.

Proposal 3: Election of 1 Audit & Supervisory Board Member

The terms of office of 1 Audit & Supervisory Board Member will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

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

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
Ichiro Terato (May 1, 1946)	July 1969 Joined the Mitsubishi Bank, Ltd. (currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) June 1996 Director, The Bank of Tokyo-Mitsubishi, Ltd. (currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) June 2000 Managing Director, The Bank of Tokyo-Mitsubishi, Ltd. May 2003 Managing Executive Officer, The Bank of Tokyo-Mitsubishi, Ltd. January 2005 Senior Managing Executive Officer, The Bank of Tokyo-Mitsubishi, Ltd. June 2005 Representative Director, Vice President and CFO, NIKON CORPORATION June 2007 Representative Director, Senior Executive Vice President and CFO, NIKON CORPORATION June 2010 Representative Director and Senior Executive Vice President, NIKON CORPORATION June 2011 Advisor, NIKON CORPORATION Audit & Supervisory Board Member of the Company (current position) June 2012 Outside Audit & Supervisory Board Member, The Hyakujushi Bank, Ltd. (current position) June 2014 Outside Director, Makino Milling Machine Co., Ltd. (current position) (Significant concurrent position) Outside Director, Makino Milling Machine Co., Ltd. **[Reasons for the appointment of candidate for Outside Audit & Supervisory Board Member]** Mr. Ichiro Terato has long engaged in corporation management, including his services as Senior Managing Executive Officer at The Bank of Tokyo-Mitsubishi, Ltd. (currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) and Representative Director and Senior Executive Vice President at NIKON CORPORATION. By leveraging his expertise fostered through these ample experiences and careers as a corporate management expert, he has been appropriately fulfilling his duties as an Outside Audit & Supervisory Board Member of the Company to enhance the Company's corporate governance by ways of offering opinions and advice regarding overall management of the Company. Based on these reasons, we reappointed him as a candidate for Outside Audit & Supervisory Board Member.	0

(Notes)

1. There is no special interest between the candidate for Audit & Supervisory Board Member and the Company.
2. Matters concerning the candidate for Outside Audit & Supervisory Board Member are as follows.
   (1) Mr. Ichiro Terato is a candidate for Outside Audit & Supervisory Board Member as stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act. The Company has filed Independent Directors/Auditors Notification with Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. to designate Mr. Ichiro Terato as Independent Audit & Supervisory Board Member.
   (2) The Company entered into a Plea Agreement with the U.S. Department of Justice (DOJ) in September 2015, agreeing to pay a fine etc. based on charges that it violated U.S. laws including antitrust law in connection with some transactions for ceramic substrates for catalytic converters. Mr. Ichiro Terato has been offering opinions and advices at the Board of Directors from the point of view of legal compliance, and following this incident, he is proactively fulfilling a role to improve compliance system including compliance with competition laws.
   (3) Mr. Ichiro Terato is currently in office as Audit & Supervisory Board Member of the Company, and will have served for five years as Audit & Supervisory Board Member at the conclusion of this Annual Shareholders' Meeting.

(4) Overview of the liability limitation agreement

The Company has entered into a liability limitation agreement with Mr. IchiroTerato, which provides that if an Outside Audit & Supervisory Board Member is without knowledge and is not grossly negligent in performing his/her duties, the liability of the Audit & Supervisory Board Member to the Company under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount provided in Article 425, Paragraph 1 of the Companies Act. Subject to the approval of the reappointment of him, the Company intends to continue the liability limitation agreement with him.