This document has been translated from the Japanese original for the convenience of non-Japanese shareholders. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

Securities identification code: 6376
March 11, 2016

To our shareholders:

Toshihiko Kai
President & Representative Director
NIKKISO CO., LTD.
4-20-3 Ebisu, Shibuya-ku, Tokyo

NOTICE OF THE 75TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 75th Ordinary General Meeting of Shareholders of NIKKISO 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 postal mail or via the Internet. Please indicate your approval or disapproval of the proposals on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail or via the Internet to reach us no later than 5:30 p.m., Tuesday, March 29, 2016 (Japan Standard Time).

Meeting Details

1. Date and time: Wednesday, March 30, 2016 at 10:00 a.m. (Japan Standard Time)

(The reception desk will open from 9:00 a.m.)

(By resolution of the 74th Ordinary General Meeting of Shareholders held on June 24, 2015, the Company has changed its fiscal year-end from March 31 to December 31. As a result, the transition period of the 75th fiscal year (the current year) covers the period of nine months from April 1, 2015 to December 31, 2015, and thus the date of this meeting is different from the anniversary of the previous meeting.)

2. Venue: Nikkiso Higashimurayama Plant R&D Center
Multi-Purpose Bldg. 7F, Conference Room
2-16-2 Noguchi-cho, Higashimurayama-shi, Tokyo

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 75th Term (from April 1, 2015 to December 31, 2015), as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board.
2. Non-Consolidated Financial Statements for the 75th Term (from April 1, 2015 to December 31, 2015)

Items to be resolved:

Proposal 1: Partial amendments to the Articles of Incorporation
Proposal 2: Election of eight (8) Directors
Proposal 3: Election of one (1) Audit & Supervisory Board Member

4. Other decisions concerning convocation of the general meeting of shareholders

(1) If you exercise your voting rights by postal mail, please indicate your approval or disapproval of the proposals on the enclosed voting form, and as described above, return it by postal mail to reach us no later than 5:30 p.m., Tuesday, March 29, 2016 (Japan Standard Time).

(2) If you exercise your voting rights via the Internet, please follow the "Instructions on How to Exercise Voting Rights via the Internet, etc.," and as described above, please exercise your voting rights no later than 5:30 p.m., Tuesday, March 29, 2016 (Japan Standard Time) from the Internet website designated by the Company (http://www.web54.net).

(3) If you exercise your voting rights by multiple methods such as by postal mail and via the Internet, that which reaches the Company last shall be deemed effective; provided, however, that if voting rights are exercised by postal mail and via the Internet on the same date, the exercise of voting rights via the Internet shall be deemed effective.

(4) If you exercise your voting rights multiple times via the Internet, the last exercise shall be deemed effective.

(5) Of the documents to be submitted upon this notification, "Notes to the Consolidated Financial Statements" and "Notes to the Non-Consolidated Financial Statements" are posted on the Company's website (http://www.nikkiso.co.jp) pursuant to laws and regulations as well as Article 19 of the Company's Articles of Incorporation, and thus these documents are not included in the attached documents. The Audit & Supervisory Board Members and the Accounting Auditor conduct an audit on the Consolidated Financial Statements and Non-Consolidated Financial Statements, including the matters posted on the Company's website.

- If you will be present at the meeting, please submit the enclosed voting form at the reception desk of the meeting.
- In the event of circumstances requiring amendments to the Business Report, Non-Consolidated Financial Statements, Consolidated Financial Statements, and Reference Documents for the General Meeting of Shareholders, the matters that have been amended will be posted on the Company's website (http://www.nikkiso.co.jp).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial amendments to the Articles of Incorporation

1. Reason for proposal

(1) Article 2 (Purpose) of the current Articles of Incorporation will be amended in order to address the diversification of our business domains, such as the ultraviolet LED business, as well as to create a business purpose that matches the current situation.

(2) In order to clearly separate the decision-making and supervisory functions of Directors over management from the functions of Executive Officers to perform operations, only the Chairman, Vice-Chairman and President shall be appointed from among Directors set forth in the posts in the provisions of Article 22 (Representative Directors and Directors in Title), Paragraph 2 of the current Articles of Incorporation. In future, the titles of Vice President, Senior Managing Directors, and Managing Directors will be given to Executive Officers, with the decisions to be made by resolution of the Board of Directors.

2. Details of the amendments

The details of the changes are as follows:

(Amended parts are underlined)

Current Articles of Incorporation	Proposed amendment
Article 1 <Omitted>	Article 1 <Unchanged>
Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses: 1. Manufacture, sale, and rental of wind/water power equipment, consumer machinery and appliances, measurement instruments, and process control instrumentation, and other industrial equipment and apparatus; 2. Manufacture, sale, and rental of equipment and apparatus for water processing, heat control, chemical cleaning, and pollution prevention, as well as project operation and consulting work; 3. Manufacture, sale and rental of medical devices and medical devices for animals; 4. Manufacture and sale of drugs, drugs for animals, industrial chemicals, quasi-drugs, cosmetics, and chemical fiber products; 5. Manufacture, sale, and rental of vessels, aircraft, vehicles, and related equipment thereof;	Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses: 1. Manufacture and sale of industrial pumps, compressors, measurement instruments, apparatus for manufacturing electronic components, water conditioning systems for power plants, and other industrial equipment as well as systems thereof; <Deleted> 2. Manufacture, sale and rental of medical equipment and drugs; <Deleted> 3. Manufacture and sale of carbon fiber reinforced composite materials, etc. for aircraft, satellites, vessels, and vehicles, etc.;

Current Articles of Incorporation	Proposed amendment
<Added>	4. Manufacture and sale of semiconductors and applied products thereof;
6. Manufacture and sale of carbon, carbon fiber as well as of chemical products containing the foregoing;	<Deleted>
7. Manufacture, sale, and rental of office machinery and appliances;	<Deleted>
8. Manufacture and sale of batteries;	<Deleted>
9. Manufacture and sale of exercise machines and various items of food and drink;	<Deleted>
10. Import and export of products and the like indicated in the preceding items;	<Deleted>
11. Planning, design, supervision, and contracting of civil engineering, building, landscaping, electrical and plumbing work, and other construction work;	5. Planning, design, supervision and execution of the utility work pertaining to the preceding items;
12. Planning, production, sale, lease, and operation of facilities for education, health, medical care, sports, accommodation, recreation, and the like, and related travel agency business;	<Deleted>
13. Purchase and sale, lease, agency work, management, and appraisal of real estate;	<Deleted>
14. Warehouse business;	<Deleted>
15. Management consulting work;	<Deleted>
16. Purchase and sale of used items;	6. Purchase and sale of used items of the preceding items;
17. Any and all business related to the preceding items;	<Deleted>
18. In order to achieve the businesses of the foregoing, able to engage in the businesses jointly with others, make an investment elsewhere, or become a founder of some other company; and	<Deleted>
19. Any other legitimate business.	7. <Unchanged>
Articles 3 to 21 <Omitted>	Articles 3 to 21 <Unchanged>
Article 22 (Representative Directors and Directors in Title) (1) <Omitted> (2) Board of Directors may, by its resolution, appoint one (1) Chairman, one (1) Vice-Chairman, one (1) President, and a few Vice-Presidents, Senior Managing Directors, and Managing Directors from among the Directors.	Article 22 (Representative Directors and Directors in Title) (1) <Unchanged> (2) Board of Directors may, by its resolution, appoint one (1) Chairman, one (1) Vice-Chairman and one (1) President from among the Directors.
Articles 23 to 46 <Omitted>	Articles 23 to 46 <Unchanged>

Proposal 2: Election of eight (8) Directors

The term of office of all of the current seven (7) Directors will expire at the conclusion of this meeting. Accordingly, the Company proposes that one (1) Director be added and eight (8) Directors be elected in order to further strengthen the management structure.

The candidates for Directors are as follows, and they satisfy the criteria for the election of the Company's Directors and Outside Directors as described at the end of this proposal:

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Toshihiko Kai (August 19, 1946) [Reelection]	February 1996 General Manager, Dai-Ichi Kangyo Bank Nederland N.V. March 2000 Joined the Company. April 2001 Executive Officer of the Company April 2002 President, Medical Equipment Unit of the Company June 2003 Director of the Company (present position) December 2004 President & Representative Director of the Company (present position) [Position and responsibility at the Company] President & Representative Director	52,388
	[Reasons for selection as a candidate] As stated in the career summary, position and responsibilities above, he has wide experience as well as knowledge, ability and leadership that enable him to gain an overview of the management environment of our Group, promote important management issues speedily and decisively, and achieve results. As such, it has been determined that he is suitable as a Director of the Company, and as a candidate to continue as a Director.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Akira Nishiwaki November 18, 1954 [Reelection]	April 1977 Joined the Company. April 2003 General Manager, Corporate Support Center of the Company June 2003 Executive Officer of the Company April 2007 General Coordinator, Management Strategic Division, Industrial Solutions Unit of the Company April 2008 General Manager, Corporate Support Center of the Company June 2008 Director of the Company (present position) April 2009 General Manager, Administration Division of the Company April 2010 General Manager of Corporate Planning Department of the Company June 2011 Senior Executive Officer of the Company (present position) April 2013 General Manager, Industrial Division of the Company Chairman of the Board, Shanghai Nikkiso Non-Seal Pump Co., Ltd. April 2015 General Manager, Corporate Planning Department of the Company [Position and responsibility at the Company] Director, Senior Executive Officer In charge of Administration and Corporate Planning (Compliance, Export Control, Internal Audit, Internal Control, Information Systems, Public Relations/Investor Relations)	11,816
	[Reasons for selection as a candidate] As stated in the career summary, position and responsibilities above, mainly through his duties of being in charge of the Administration and Corporate Planning Division, he has wide experience and advanced knowledge about our Group's business activities. As such, it has been determined that he is suitable as a Director of the Company, and as a candidate to continue as a Director.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Hisashi Homma September 12, 1952 [Reelection]	April 1975 Joined the Company. April 2002 General Manager, Sales Division, Fluid Technologies Unit of the Company April 2007 Executive Officer of the Company April 2008 General Manager, Fluid Technologies Unit of the Company July 2008 Chairman of the Board, Shanghai Nikkiso Non-Seal Pump Co., Ltd. April 2009 General Manager, Pump Division of the Company April 2010 General Manager, Industrial Division of the Company June 2010 Director of the Company (present position) June 2011 Senior Executive Officer of the Company (present position) April 2013 Chairman of the Board and Chief Executive Officer, Nikkiso (Shanghai) Consulting Co., Ltd. (present position) April 2015 General Manager, Industrial Division of the Company Chairman of the Board, Shanghai Nikkiso Non-Seal Pump Co., Ltd. (present position) [Position and responsibility at the Company] Director, Senior Executive Officer In charge of Industrial Business, Production and Quality Control	9,671
	[Reasons for selection as a candidate] As stated in the career summary, position and responsibilities above, mainly through his duties of being in charge of the Industrial Business, he has wide experience and advanced knowledge about our Group's production and quality control. As such, it has been determined that he is suitable as a Director of the Company, and as a candidate to continue as a Director.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Tsunehisa Suita October 23, 1959 [Reelection]	April 2008 General Manager, Global Structured Finance Division, Mizuho Corporate Bank, Ltd. April 2010 Joined the Company. October 2010 General Manager, Planning & Strategy, Medical Division of the Company April 2011 Executive Officer of the Company General Manager, International Business Department, Medical Division of the Company October 2011 Deputy General Manager, Medical Division of the Company April 2013 General Manager, Corporate Planning Department of the Company June 2013 Director of the Company (present position) October 2013 General Manager, Medical Division of the Company Chairman of the Board, Shanghai Nikkiso Trading Corporation (present position) April 2014 Senior Executive Officer of the Company (present position) [Position and responsibility at the Company] Director, Senior Executive Officer In charge of Medical Business	2,319
	[Reasons for selection as a candidate] As stated in the career summary, position and responsibilities above, mainly through his duties of being in charge of the Medical Business, he has wide experience and advanced knowledge about our Group's business activities. As such, it has been determined that he is suitable as a Director of the Company, and as a candidate to continue as a Director.		

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th>Career summary, position and responsibilities
(significant concurrent positions outside the Company)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">5</td><td>Shotaro Fujii
December 3, 1954
[Reelection]</td><td>April 2008 General Manager, IVD Technology Center, Nihon Kohden Corporation
November 2011 Joined the Company.
October 2012 General Manager, Shizuoka Plant (present position)
General Manager, Medical Shizuoka Factory, Shizuoka Plant of the Company
April 2013 Executive Officer of the Company
April 2015 General Manager, Biomedical Engineering Center, Medical Division of the Company
June 2015 Director of the Company (present position)
January 2016 Senior Executive Officer of the Company (present position)
[Position and responsibility at the Company]
Director, Senior Executive Officer
In charge of Engineering
General Manager, Shizuoka Plant
General Manager, Biomedical Engineering Center, Medical Division</td><td>639</td></tr>
<tr><td colspan="3">[Reasons for selection as a candidate]
As stated in the career summary, position and responsibilities above, mainly through his duties of being in charge of development and manufacture of medical devices and other products, he has wide experience and advanced knowledge about our Group’s business activities. As such, it has been determined that he is suitable as a Director of the Company, and as a candidate to continue as a Director.</td></tr>
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No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
6	Naota Shikano November 18, 1952 [New election]	April 1977 April 2001 April 2007 April 2009 August 2009 April 2010 February 2011 January 2013 January 2016	Joined the Company. General Manager, Cryogenic Pump Department, Sales Division, Fluid Technologies Unit of the Company General Manager, General Project Headquarters, Fluid Technologies Unit of the Company General Manager, Business Promotion Department, Pump Division of the Company General Manager, LEWA Task Force Department, Pump Division of the Company Executive Officer of the Company Industrial Solutions & Overseas Business Headquarter, Industrial Division of the Company Managing Director, LEWA GmbH Managing Director & CEO, LEWA GmbH Senior Executive Officer of the Company (present position)	6,004
	[Reasons for selection as a candidate] As stated in the career summary, position and responsibilities above, mainly through his duties of being in charge of the Industrial Business and as a representative of major overseas subsidiary, he has wide experience and advanced knowledge about our Group's business activities. As such, it has been determined that he is suitable to be a Director of the Company, and as a new candidate to be a Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Kenjiro Nakane July 9, 1947 [Reelection] [Outside Director]	October 1975 Registered as a certified public accountant (to present) July 1977 Registered as a licensed tax accountant (to present) Director, Nakane Kenjiro Tax Accountant Office April 1988 Representative Partner, Seishin & Co. (currently SeishinShisei & Co.) (present position) November 1991 Audit & Supervisory Board Member, Japan Lifeline Co., Ltd. June 2001 Outside Audit & Supervisory Board Member of the Company July 2003 Representative Partner, Seishin & Co. (currently SeishinShisei & Co.) (present position) June 2006 Outside Audit & Supervisory Board Member, Nippon Valqua Industries, Ltd. (present position) August 2006 Member of Independent Committee of the Company June 2012 Outside Director of the Company (present position) [Significant concurrent positions outside the Company] Certified public accountant (Representative Partner, SeishinShisei & Co.) Licensed tax accountant (Representative Partner, SeishinShisei & Co.) Outside Audit & Supervisory Board Member, Nippon Valqua Industries, Ltd.	11,978
	[Reasons for selection as a candidate] Through his activities as a certified public accountant and licensed tax accountant over the years, he has acquired a thorough knowledge about corporate accounting and tax affairs. Furthermore, while he does not have any previous experience of direct involvement in corporate management, he has wide experience and advanced knowledge that enable him to supervise the Directors' decision-making and performance of their duties from an objective and professional viewpoint independent from the Company's executives, as shown in the career summary, etc. above. As such, it has been determined that he is suitable as an Outside Director of the Company, and as a candidate to continue as an Outside Director.		

Notes:
1. There is no special interest between the candidate and the Company.
2. Kenjiro Nakane is a candidate to be one of our Outside Directors.
   (1) Kenjiro Nakane is currently one of the Company's Outside Directors, and he will have been in this position for three years and nine months at the conclusion of this meeting. The Company has registered him with the Tokyo Stock Exchange, Inc. as an Independent Director.
   (2) The Company has executed with Kenjiro Nakane, pursuant to the provisions of Articles of Incorporation, a limited liability agreement which provides that the higher amount of either five million yen or the minimum total liability specified by laws and regulations shall be the maximum amount of liability for damages. If his reelection is approved, the Company plans to maintain the limited liability agreement.
3. Kenjiro Nakane was an Outside Audit & Supervisory Board Member of the Company in the past.

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Yutaro Kikuchi May 5, 1951 [Reelection] [Outside Director]	April 1981 Registered as an attorney (to present) August 1983 Audit & Supervisory Board Member, Nihon System Product (present position as Outside Audit & Supervisory Board Member) April 1986 Director, Kikuchi Sogo Law Office (present position) April 2000 Executive Governor, Japan Federation of Bar Associations November 2003 Vice-President, Tokyo Bar Association June 2007 Outside Audit & Supervisory Board Member of the Company August 2007 Member of Independent Committee of the Company December 2012 Outside Audit & Supervisory Board Member, Total Estate, Ltd. (present position) April 2013 Vice President, Japan Federation of Bar Associations President, Tokyo Bar Association June 2014 Managing Director, Japan Law Foundation (present position) June 2015 Outside Director of the Company (present position) [Significant concurrent positions outside the Company] Attorney (Director, Kikuchi Sogo Law Office) Managing Director, Japan Law Foundation Outside Audit & Supervisory Board Member, Nihon System Product Outside Audit & Supervisory Board Member, Total Estate, Ltd.	15,381
	[Reasons for selection as a candidate] Through his activities as an attorney over the years, he has acquired advanced knowledge about corporate management and corporate legal affairs. Furthermore, while he does not have any previous experience of direct involvement in corporate management, he has wide experience and advanced knowledge that enable him to supervise the Directors' decision-making and performance of their duties from an objective and professional viewpoint independent from the Company's executives, as shown in the career summary, etc. above. As such, it has been determined that he is suitable as an Outside Director of the Company, and as a candidate to continue as an Outside Director.		

Notes:
1. There is no special interest between the candidate and the Company.
2. Yutaro Kikuchi is a candidate to be one of our Outside Directors.
   (1) Yutaro Kikuchi is currently one of the Company's Outside Directors, and he will have been in this position for nine months at the conclusion of this meeting. The Company has registered him with the Tokyo Stock Exchange, Inc. as an Independent Director.
   (2) The Company has executed with Yutaro Kikuchi, pursuant to the provisions of Articles of Incorporation, a limited liability agreement which provides that the higher amount of either five million yen or the minimum total liability specified by laws and regulations shall be the maximum amount of liability for damages. If his reelection is approved, the Company plans to maintain the limited liability agreement.
3. Yutaro Kikuchi was an Outside Audit & Supervisory Board Member of the Company in the past.

For Reference: Criteria for the Election of the Company's Directors

(Article 22 of the Nikkiso Group's Corporate Governance Guidelines)

1. Criteria for the Election of Directors

For a Director, we designate a person who has knowledge, ability and leadership that will enable him or her to gain an overview of the management environment of our Group, promote important management issues speedily and decisively, and achieve results, and who can be committed to establish corporate governance that supports the realization of our corporate philosophy through transparent, fair, speedy and decisive decision-making.

2. Criteria for the Election of Outside Directors

For an Outside Director, we designate a person who, as a party having no personal, capital or trade relationship with, or any other interest in, the Company other than his or her relationship as an outside officer, has no possibility of causing a conflict of interest with general shareholders, and who can supervise the directors' decision-making and performance of their duties from an objective and professional viewpoint independent from the Company's executives and provide correct advice based on his or her expertise in order to promote the sustainable growth of the Company and improve the medium- to long-term corporate value.

Proposal 3: Election of one (1) Audit & Supervisory Board Member

Since the term of office of Eisuke Nagatomo will expire at the conclusion of this meeting, the Company proposes that one (1) Audit & Supervisory Board Member be elected. The Audit & Supervisory Board has given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows, and he satisfies the criteria for the election of the Company's Audit & Supervisory Board Member as described at the end of this proposal:

Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Eisuke Nagatomo (July 7, 1948) [Reelection] [Outside Audit & Supervisory Board Member]	April 1971 Joined Tokyo Stock Exchange November 2001 Executive Officer, Tokyo Stock Exchange, Inc. June 2003 Senior Executive Officer, Tokyo Stock Exchange, Inc. December 2005 Senior Executive Officer, Tokyo Stock Exchange, Inc. (CSRO) October 2007 President & CEO, EN Associates Co., Ltd. (present position) April 2008 Visiting Professor, Graduate School of Commerce, Waseda University (present position) May 2008 Outside Audit & Supervisory Board Member, Cedyna Financial Corporation June 2008 Outside Audit & Supervisory Board Member, Omron Corporation (present position) June 2008 Outside Audit & Supervisory Board Member, Mitsubishi Corporation June 2010 Outside Director, kabu.com Securities Co., Ltd. (present position) June 2010 Outside Director, Miroku Jyoho Service Co., Ltd. (present position) June 2012 Outside Audit & Supervisory Board Member of the Company (present position) [Significant concurrent positions outside the Company] President & CEO, EN Associates Co., Ltd. Outside Audit & Supervisory Board Member, Omron Corporation Outside Director, kabu.com Securities Co., Ltd. Outside Director, Miroku Jyoho Service Co., Ltd.	3,561

[Reasons for selection as a candidate]
In addition to his expert knowledge specialized in areas such as Corporate Governance as well as building the structures of Compliance and Risk Management (Internal Control) Systems, he has engaged in management of securities markets over the years and has advanced knowledge about securities and financial markets. As such, it has been determined that he is suitable as an Outside Audit & Supervisory Board Member of the Company, and as a candidate to continue as an Outside Audit & Supervisory Board Member.

Notes:
1. There is no special interest between the candidate and the Company.
2. Eisuke Nagatomo is a candidate to be our Outside Audit & Supervisory Board Member.
   (1) Eisuke Nagatomo is currently one of the Company's Outside Audit & Supervisory Board Members, and he will have been in this position for three years and nine months at the conclusion of this meeting. The Company has registered him with the Tokyo Stock Exchange as an Independent Auditor.
   (2) The Company has executed with Eisuke Nagatomo, pursuant to the provisions of Articles of Incorporation, a limited liability agreement which provides that the higher amount of either three million yen or the minimum total liability specified by laws and regulations shall be the maximum amount of liability for damages. If his reelection is approved, the Company plans to maintain the limited liability agreement.
3. In May 2015, the Financial Services Agency ordered kab.com Securities Co., Ltd., of which Eisuke Nagatomo is an Outside Director, to improve business operations for the reason that "the company's system management is inadequate." Eisuke Nagatomo provides suggestions and supervision to the company's Board of Directors and Audit Committee over the adequacy of the company's business improvement plan as well as on the state of progress of the plan. We are informed that the business improvement plan is scheduled to be completed at the end of March 2016.

For Reference: Company's Criteria for the Election of Audit & Supervisory Board Members

(Article 23 of the Nikkiso Group's Corporate Governance Guidelines)

1. Criteria for the Election of Audit & Supervisory Board Members

For an Audit & Supervisory Board Member, we designate a person who can perform business audits and accounting audits as well as actively exercise his or her authority and give appropriate opinions at the Board of Directors. At least one (1) Audit & Supervisory Board Member must be a person who has appropriate expertise in finance and accounting.

2. Criteria for the Election of Outside Audit & Supervisory Board Members

For an Outside Audit & Supervisory Board Member, we designate a person who, as a party having no personal, capital or trade relationship with, or any other interest in, the Company other than his or her relationship as an outside officer, has no possibility of causing conflict of interest with general shareholders, and who can supervise the directors' decision-making and performance of their duties from an objective and professional viewpoint independent from the Company's executives and provide opinions and advice on risks relating to management strategies based on his or her wide expertise.