

SUMITOMO BAKELITE CO., LTD.
5-8, Higashi-Shinagawa 2-chome,
Shinagawa-ku, Tokyo, Japan

June 1, 2017

NOTICE OF THE 126TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby inform you of the 126th Ordinary General Meeting of Shareholders to be held at the time and location set forth below:

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the “Reference for the General Meeting of Shareholders” mentioned below, and exercise your voting rights by Thursday, June 22, 2017 at 5:40 p.m.

Very truly yours,

Shigeru Hayashi
President and Representative Director

Notice

- 1. Date and Time:** Friday, June 23, 2017 at 10:00 a.m.
- 2. Location:** Conference room of the Company on the 20th floor of Tennoz Parkside Building, 5-8, Higashi-Shinagawa 2-chome, Shinagawa-ku, Tokyo, Japan
- 3. Agenda of the Meeting:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 126th Fiscal Year (from April 1, 2016 through March 31, 2017)
 2. Results of audit on the 126th Consolidated Financial Statements by Accounting Auditor and the Board of Corporate Auditors
 - Matters to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Election of ten (10) Directors
 - Proposal No. 3:** Election of one (1) Substitute Corporate Auditor

Attendants are kindly asked to return their completed Exercise of Voting Rights Forms to the reception desk on the day of the meeting.

Please be forewarned that, regarding the contents of the attached documents of this notice, if a situation to be corrected occurs up to the previous day before the meeting, we will post notice to that effect on our home page (<http://www.sumibe.co.jp>).

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

REFERENCE FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and references

Proposal No. 1 Appropriation of Surplus

As for the appropriation of surplus, we attempt to return to our shareholders a portion of surplus in the form of dividends in the most regular and stable manner as possible over the long term. In order to solidify our management bases for the future, we also have a policy to pay dividends according to profitability, while taking the enhancement of internal reserves into consideration. In consideration of the need to set aside funds for strategic investment and M&A towards continued growth as well, the year-end dividend will be the same as the previous fiscal year at 5 yen per share. This makes our annual dividends 10 yen per share, including the interim dividend distributed last year.

- (1) Class of dividend property
Monetary payment
- (2) Matters related to the disbursement of dividend property and the total amount
Dividends: 5 yen per common share Total amount: 1,176,684,350 yen
- (3) Effective date of the disbursement of dividends from surplus: June 26, 2017

Proposal No. 2 Election of ten (10) Directors

All of the ten (10) Directors will complete their terms of office at the conclusion of this meeting. Accordingly, we propose that you elect the following ten (10) Directors.

The candidates for the positions are as follows:

Candidate No.	Name	Current position at the Company			
1	Shigeru Hayashi	Representative Director President	Reappointment		
2	Tsuneo Terasawa	Representative Director Executive Vice President	Reappointment		
3	Shigeki Muto	Director Executive Vice President	Reappointment		
4	Noboru Yamawaki	Director Senior Managing Executive Officer	Reappointment		
5	Kazuhiko Fujiwara	Director Senior Managing Executive Officer	Reappointment		
6	Masayuki Inagaki	Director Senior Managing Executive Officer	Reappointment		
7	Sumitoshi Asakuma	Director Managing Executive Officer	Reappointment		
8	Hiroyuki Abe	Outside Director	Reappointment	Outside	Independent
9	Kazuo Matsuda	Outside Director	Reappointment	Outside	Independent
10	Ikuzo Ogawa	Outside Director	Reappointment	Outside	

Candidate No. 1	(Name) Shigeru Hayashi	Reappointment
Date of birth	August 15, 1947	
Number of Company shares held	101,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1970	Entered the Company	
June 2000	Director of the Company	
June 2004	Managing Director of the Company	
June 2006	Director, Senior Managing Executive Officer of the Company	
June 2008	Director, Executive Vice President of the Company	
June 2010	President and Director of the Company (to the present)	
[Reasons for selecting as a candidate for Director]		
<p>Since assuming the office of the President of the Company in June 2010, Mr. Shigeru Hayashi has provided leadership and taken the initiative in the Company's business. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his considerable experience and wide range of knowledge developed so far as a management executive, we have continuously selected Mr. Hayashi as a candidate for Director.</p>		

Candidate No. 2	(Name) Tsuneo Terasawa	Reappointment
Date of birth	November 21, 1951	
Number of Company shares held	80,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1974	Entered the Company	
June 2002	Director of the Company	
June 2004	Executive Officer of the Company	
June 2006	Managing Executive Officer of the Company	
June 2008	Director, Managing Executive Officer of the Company	
June 2010	Director, Senior Managing Executive Officer of the Company	
April 2014	Director, Executive Vice President of the Company (to the present)	
(Responsibility at the Company)		
<p>Overseeing Personnel Div., Corporate Finance & Planning Div., Corporate Planning Dept. and Information Systems & Data Processing Dept.; In charge of Corporate General Affairs Div., Global Procurement Div., Osaka Office and Nagoya Office</p>		
[Reasons for selecting as a candidate for Director]		
<p>Mr. Tsuneo Terasawa has considerable operational experience in administration area including personnel affairs and corporate general affairs as well as procurement area. Also, he has played a key role in corporate management as a director of the Company for years. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Terasawa as a candidate for Director.</p>		

Candidate No. 3	(Name) Shigeki Muto	Reappointment
Date of birth	March 12, 1952	
Number of Company shares held	90,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1975	Entered the Company	
June 2004	Executive Officer of the Company	
June 2008	Managing Executive Officer of the Company	
June 2010	Director, Managing Executive Officer of the Company	
April 2013	Director, Senior Managing Executive Officer of the Company	
April 2015	Director, Executive Vice President of the Company (to the present)	
(Responsibility at the Company) Overseeing Semiconductor Materials segment, Plates Research Laboratory, Plates Div., Decola Innovair Business Development Dept., Kanuma Plant and Waterproof Sheet-related Business		
[Major concurrent position] *Chairman of Sumitomo Bakelite (Taiwan) Co., Ltd.		
[Reasons for selecting as a candidate for Director] Mr. Shigeki Muto has considerable experience as a chief person in charge of major business segments of the Company group and he has played a key role in corporate management as a director of the Company for years. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Muto as a candidate for Director.		

Candidate No. 4	(Name) Noboru Yamawaki	Reappointment
Date of birth	February 7, 1953	
Number of Company shares held	46,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1978	Entered the Company	
June 2009	Executive Officer of the Company	
June 2012	Director, Managing Executive Officer of the Company	
April 2014	Director, Senior Managing Executive Officer of the Company (to the present)	
(Responsibility at the Company) Overseeing Films & Sheets Research Laboratory and Amagasaki Plant; In charge of Films & Sheets Div., Medical Products Business Div., S-BIO Business Div. and P-Plus Development Dept.		
[Reasons for selecting as a candidate for Director] Mr. Noboru Yamawaki has considerable experience as a chief person in charge of High Performance Plastics segment and currently acts as a chief person in charge of Quality of Life Products segment area. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Yamawaki as a candidate for Director.		

Candidate No. 5	(Name) Kazuhiko Fujiwara	Reappointment
Date of birth	March 2, 1958	
Number of Company shares held	46,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1980	Entered the Company	
June 2009	Executive Officer of the Company	
April 2013	Managing Executive Officer of the Company	
June 2014	Director, Managing Executive Officer of the Company	
April 2016	Director, Senior Managing Executive Officer of the Company (to the present)	
(Responsibility at the Company) Overseeing High Performance Plastics segment		
[Major concurrent position] Chairman of Sumitomo Bakelite Macau Co., Ltd.		
[Reasons for selecting as a candidate for Director] Mr. Kazuhiko Fujiwara has considerable experience as a chief person in launching our biotechnology business and management of Quality of Life Products segment. He currently acts as a chief person in charge of High Performance Plastics segment. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Fujiwara as a candidate for Director.		

Candidate No. 6	(Name) Masayuki Inagaki	Reappointment
Date of birth	July 27, 1959	
Number of Company shares held	44,000	
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)	
Brief personal history, position and responsibility at the Company		
April 1982	Entered the Company	
June 2009	Executive Officer of the Company	
April 2013	Managing Executive Officer of the Company	
June 2015	Director, Managing Executive Officer of the Company	
April 2017	Director, Senior Managing Executive Officer of the Company (to the present)	
(Responsibility at the Company) General Manager of Corporate Production Management & Engineering Div.; General Manager of Corporate Engineering Center; Overseeing Corporate Research & Development Div., Kobe Facility Office, Circuitry with Optical Interconnection Business Development Dept. and LIB Anode Material Business Development Dept.		
[Reasons for selecting as a candidate for Director] Mr. Masayuki Inagaki has considerable experience as a chief person mainly in charge of manufacturing and production engineering area and currently acts as a chief person in research & development area as well. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Inagaki as a candidate for Director.		

Candidate No. 7	(Name) Sumitoshi Asakuma	Reappointment	
Date of birth	January 3, 1961		
Number of Company shares held	26,000		
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)		
Brief personal history, position and responsibility at the Company			
April 1985	Entered the Company		
June 2010	Executive Officer of the Company		
April 2014	Managing Executive Officer of the Company		
June 2015	Director, Managing Executive Officer of the Company (to the present)		
(Responsibility at the Company) Overseeing Electronics Materials Business Segment Quality Managing Dept., Smart Community Marketing & Developing Div. and Utsunomiya Plant ; In charge of Electronic Device Materials Research Laboratory, Information & Telecommunication Materials Div. and LaZ Business Div.			
[Reasons for selecting as a candidate for Director]			
Mr. Sumitoshi Asakuma has considerable experience as a chief person mainly in charge of research & development area and currently acts as a chief person in Semiconductor Materials segment. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we have continuously selected Mr. Asakuma as a candidate for Director.			

Candidate No. 8	(Name) Hiroyuki Abe	Reappointment	Outside	Independent
Date of birth	October 9, 1936			
Number of Company shares held	0			
Attendance at Board of Directors' meetings	13 times out of 13 meetings (100%)			
Brief personal history, position and responsibility at the Company				
October 1977	Professor, School of Engineering, Tohoku University			
April 1993	Dean, Undergraduate School of Engineering/Graduate School of Engineering, Tohoku University			
November 1996	President of Tohoku University			
November 2002	Professor Emeritus of Tohoku University (to the present)			
June 2007	Outside Corporate Auditor of the Company			
June 2015	Outside Director of the Company (to the present)			
[Reasons for selecting as a candidate for Outside Director]				
As for Mr. Hiroyuki Abe, we have continuously selected him as a candidate for Outside Director, as we would like to utilize his expertise, considerable experience and wide range of insight as a university professor for the management of the Company. Though he has not involved in corporate management in a position other than outside officer in the past, we have judged that he can appropriately perform the duties as Outside Director for the reason mentioned above.				

Candidate No. 9	(Name) Kazuo Matsuda	Reappointment	Outside	Independent
Date of birth	November 11, 1948			
Number of Company shares held	3,000			
Attendance at Board of Directors' meetings as Outside Corporate Auditor	3 times out of 3 meetings (100%)			
Attendance at Board of Directors' meetings	10 times out of 10 meetings (100%)			
Brief personal history, position and responsibility at the Company				
April 1971	Entered The Fuji Bank Limited (currently Mizuho Bank, Ltd.)			
February 1988	First Vice President of Fuji International Finance, London (currently, Mizuho International plc)			
October 1994	Director of Fuji Securities Co., Ltd. (currently Mizuho Securities Co., Ltd.)			
June 1995	Managing Director of Fuji Securities Co., Ltd.			
June 1996	Senior Managing Director of Fuji Securities Co., Ltd.			
May 1997	General Manager of Kabutocho Branch of The Fuji Bank Limited (currently Mizuho Bank, Ltd.)			
April 2000	Senior Managing Executive Officer of Fuji Securities Co., Ltd. (currently Mizuho Securities Co., Ltd.)			
October 2000	Managing Executive Officer of Mizuho Securities Co., Ltd.			
December 2002	Senior General Manager of Mizuho Securities Co., Ltd.			
May 2003	Senior General Manager of NSK Ltd.			
June 2004	Vice President of NSK Ltd.			
June 2006	Senior Vice President of NSK Ltd.			
June 2008	Executive Vice President of NSK Ltd.			
June 2009	Director, Representative Executive Vice President of NSK Ltd.			
June 2011	Special Adviser of NSK Ltd.			
June 2015	Outside Corporate Auditor of the Company			
June 2016	Outside Director of the Company (to the present)			
[Major concurrent position]				
Outside Corporate Auditor of Daido Metal Co., Ltd.				
[Reasons for selecting as a candidate for Outside Director]				
As for Mr. Kazuo Matsuda, we have continuously selected him as a candidate for Outside Director, as we would like to utilize for the management of the Company his considerable experience and wide range of insight that he cultivated at a financial institution as well as business companies as a management executive.				

Candidate No. 10	(Name) Ikuzo Ogawa	Reappointment	Outside
Date of birth	February 5, 1957		
Number of Company shares held	0		
Attendance at Board of Directors' meetings	11 times out of 13 meetings (84.6%)		
Brief personal history, position and responsibility at the Company			
April 1981	Entered Sumitomo Chemical Co., Ltd.		
April 2010	Executive Officer of Sumitomo Chemical Co., Ltd.		
April 2012	Managing Executive Officer of Sumitomo Chemical Co., Ltd.		
June 2015	Outside Director of the Company (to the present)		
April 2016	Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd. (to the present)		
[Major concurrent position]			
Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd.			
[Reasons for selecting as a candidate for Outside Director]			
As for Mr. Ikuzo Ogawa, he is currently engaged in research activities of Sumitomo Chemical Co., Ltd. as its Senior Managing Executive Officer, and has worked mainly in research at the company. We therefore have continuously selected him as a candidate for Outside Director of the Company, as we would like to utilize his knowledge and experience from corporate activities for the management of the Company.			

- Notes: 1. A candidate with an asterisk (*) by his company name in the “Major concurrent position” doubles as a representative director of the company concerned. The said company also engages in business transactions within similar category of the Company, and handles business transactions with the Company.
2. No conflict of interests exists between the Company and the candidates other than the candidate stated in 1. above.
3. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Hiroyuki Abe, Mr. Kazuo Matsuda and Mr. Ikuzo Ogawa to limit liability as provided for in Article 423, Paragraph 1 of the Companies Act and the maximum amount of liability shall be the amount stipulated in applicable laws and regulations.
4. Mr. Hiroyuki Abe, Mr. Kazuo Matsuda and Mr. Ikuzo Ogawa are candidates for Outside Director.
5. The term in office as Outside Director of Mr. Hiroyuki Abe will be two (2) years upon the conclusion of this ordinary general meeting of shareholders. Also, he had served as Outside Corporate Auditor of the Company for the period of eight (8) years before taking office as Outside Director of the Company.
The term in office as Outside Director of Mr. Kazuo Matsuda will be one (1) year upon the conclusion of this ordinary general meeting of shareholders. Also, he had served as Outside Corporate Auditor of the Company for the period of one (1) year before taking office as Outside Director of the Company.
The term in office as Outside Director of Mr. Ikuzo Ogawa will be two (2) years upon the conclusion of this ordinary general meeting of shareholders.
6. The Company has determined Mr. Hiroyuki Abe and Mr. Kazuo Matsuda to be independent based on the “Criteria for Independence of Directors and Corporate Auditors” stipulated by the Company. Further, Mr. Abe and Mr. Matsuda are submitted to Tokyo Stock Exchange, Inc. as independent officers.

Proposal No. 3 Election of one (1) Substitute Corporate Auditor

We propose that, preparing for deficiency in the legal number of corporate auditors, you elect one (1) Substitute Corporate Auditor in advance. Also, we propose that, limiting to the period prior to the assumption of office, the appointment of Substitute Corporate Auditor may be effectively withdrawn by the resolution of the Board of Directors after obtaining an approval of the Board of Corporate Auditors.

The Board of Corporate Auditors has given prior consent to the submission of this proposal.

The candidate for Substitute Corporate Auditor is as follows:

(Name) Kazuhiko Yamagishi		Outside	Independent
Date of birth	April 19, 1956		
Number of Company shares held	0		
Brief personal history and position at the Company			
April 1984	Lawyer registration		
September 1995	New York State Attorney registration		
March 1998	Partner of Asahi Law Offices (to the present)		
April 2008	Director of Yamato Servicer Co., Ltd.		
[Major concurrent position]			
Outside Corporate Auditor of New Cosmos Electric Co., Ltd.			
[Reasons for selecting as a candidate for Substitute Outside Corporate Auditor]			
As for Mr. Kazuhiko Yamagishi, we propose to appoint him as Substitute Outside Corporate Auditor, as he has specialist viewpoint as a lawyer and wide range of insight relating to management.			

Notes: 1. No conflict of interests exists between the Company and the candidate.

2. If the Substitute Corporate Auditor assumes the office of Outside Corporate Auditor upon approval of this proposal, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into an agreement with Mr. Kazuhiko Yamagishi to limit liability as provided for in Article 423, Paragraph 1 of the Companies Act and the maximum amount of liability shall be the amount stipulated in applicable laws and regulations.
3. Mr. Kazuhiko Yamagishi is a candidate for Outside Corporate Auditor.
4. The Company has determined Mr. Kazuhiko Yamagishi to be independent based on the "Criteria for Independence of Directors and Corporate Auditors" stipulated by the Company. Further, Mr. Yamagishi satisfies the requirements of independent officers stipulated by Tokyo Stock Exchange, Inc.

(Reference)

The Company has stipulated the criteria on the independence of Directors and Corporate Auditors as follows for the determination of their independence.

Criteria for Independence of Directors and Corporate Auditors

The criteria determining the independence of Directors and Corporate Auditors shall be as follows:

1. A Director or a Corporate Auditor shall satisfy the requirements for an outside officer as stipulated by the Companies Act and shall not fall under any of the following in order to be deemed independent.
 - (1) A major business partner of the Company (within the past five (5) years)
 - An individual whose business accounts for 2% or more of the Company's annual consolidated net sales for the most recent fiscal year (in the case of a corporation or a group, an executive officer thereof (including an adviser or any other corporate officer)).
 - In the case of an individual who has left the position as an executive officer of a major business partner, an individual with less than five (5) years since his/her departure from office.
 - In the case of an individual whose major business partner is the Company, determination shall be made based on the actual business status.
 - (2) Attorneys, certified public accountants, tax accountants, and other consultants and professionals
 - An individual who is receiving an annual amount of 10 million yen or more from the Company in money or any other property benefit other than Director's or Corporate Auditor's compensations (including any individual belonging to a group such as a law firm, an audit corporation, a tax accounting firm, a consulting firm, or any other corporation or association).
 - An individual receiving an annual amount of 10 million yen or more from the Company in donation or subsidy (including a board member or any other executive officer of a corporation, association or any other group).
 - (3) Major Shareholders
 - An individual whose shares account for 10% or more of the voting rights (in the case of a corporation or a group, an executive officer thereof (including an adviser or any other corporate officer)).
 - An individual who was an executive officer of an aforementioned corporation or any other group during the past five (5) years.
 - (4) Relatives
 - A spouse, or a second-degree or a closer relative of an executive officer of the Company group.
 - The independence of the spouse, or the second-degree or the closer relative of an individual falling under any of (1) through (3) shall be determined based on the actual situation.
2. When there are doubts concerning independence due to attributes other than those listed in 1. above, the Board of Directors shall determine independence on a case-by-case basis.