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Stock symbol 5358
June 1, 2018

Notice of Convocation of 128th Ordinary General Meeting of Shareholders

Yukitoshi Kubota, President
Isolite Insulating Products Co., Ltd.
3-3-23 Nakanoshima, Kita-ku, Osaka, Japan

To Our Shareholders:

I would like to hereby cordially invite you to attend the 128th Ordinary General Meeting of Shareholders to be held as indicated below.

Should you be unable to attend the meeting, you may exercise your voting rights in writing. Therefore I would be grateful if you could review the attached documents, complete the enclosed "Exercise of Voting Rights" form, sign and then send it back to the Company at the address below by 5:30 pm on June 26 (Tue), 2018.

Details:

1. Date and time: Wednesday, June 27, 2018, 10:00am
2. Place: 3-3-23 Nakanoshima, Kita-ku, Osaka, Japan
Conference Room 4A, 4th Floor Nakanoshima Daibiru Building
(Refer to the attached map for directions)
3. Purposes:
 - Matters to be reported:
 1. Business Report, Consolidated Financial Statements for the 128th term (from April 1, 2017 to March 31, 2018) and Audit Reports by Accounting Auditors and the Board of Corporate Auditors on the consolidated financial statements.
 2. Financial Statements for the 128th term (from April 1, 2017 to March 31, 2018).
 - Matters to be resolved:
 - Resolution No. 1: Appropriation Plan of Retained Earnings
 - Resolution No. 2: Election of 5 Directors (Excluding Directors who are audit and supervisory committee members.)
 - Resolution No. 3: Election of 3 Directors who are audit and supervisory committee members

Upon arrival at the meeting, please hand in the enclosed "Exercise of Voting Rights" form at the reception desk.

In case of any changes in the information contained in the following business report, consolidated financial statements and financial statements, we will post the changes on our website (<http://www.isolite.co.jp/>).

(Appendix)

Business Report

(April 1, 2017 -March 31, 2018)

1. Brief Business Review of Isolite Group

(1) Business Progress and Results

Overall Performance

In the current accounting period of consolidation, Japan's economy has seen recovery while corporate earnings have remained strong, and personal consumption has been gradually recovering, reflecting the improvement in the employment and income environment.

In addition, overseas economies in general have gradually recovered. In the United States, personal consumption and capital investment have remained steady despite concerns about trade friction between the US and China due to protectionist policies. While individual consumption and exports have been steady in the Chinese economy, industrial output has remained flat.

Industrial production in Japan has been on an upward trend due to steady recovery in exports and capital investment, and sales of Isolite Group have been strong, mainly in the industrial furnace and automotive-related fields.

Under these circumstances, the Group has worked to expand its sales of high-added-value products and to reduce manufacturing costs.

On the sales front, sales for the current consolidated fiscal year were 16,765 million yen (a 15.1% increase compared to the previous year) due to an increase in sales of automotive and semiconductor related products and domestic refractory ceramic fiber (RCF) working environment regulation compliant products.

On the profit side, an increase in product sales with high profit margins resulted in an operating profit of 3,153 million yen (48.0% increase), a recurring profit of 3,315 million yen (58.9% increase) and a current period net profit attributable to the parent company of 2,289 million yen (60.9% increase).

Individual Segment's Performance

In our insulation materials-related business, orders for semiconductor related products and domestic RCF (Refractory Ceramic Fiber) working environment regulations compliant products have been steady and sales were higher than in the previous year.

As a result, consolidated sales for the insulation materials-related business that is mainly involved in the sales of insulation materials such as ceramics fibers and insulating firebricks, as well as the design and construction of industrial furnaces, reached 15,316 million yen (a 15.4% increase compared to the previous year).

In our other businesses, sales in functional ceramics products and construction-related materials were higher than in the previous year. Sales in environment greening products were lower than in the previous year.

As a result, the consolidated revenue for the other businesses reached 1,449 million yen (a 11.6% increase compared to the previous year).

(2) Investments in Plants and Equipment by Isolite Group

The total amount of capital investment of the Group during the consolidated fiscal year under review was 418 million yen. Within the Isolite Group, the main investments were for updating production equipment at our company and upgrading production equipment at ITM Co., Ltd.

(3) Fund-Raising by Isolite Group

There are no significant fund-raising matters to be reported during the term under review.

(4) Issues To Be Addressed by Isolite Group

With regard to future prospects, the Japanese economy is expected to continue to steadily improve; however, concerns over the deteriorating export environment due to rise in raw material and fuel prices and shipping costs, appreciation of the yen and increase in trade frictions, etc., means the outlook remains as uncertain as ever.

Under such an environment, our Group is making an effort to secure the profitability through the maximum utilization of the power of our branding, technology and sales.

In our insulation materials-related business, as demand in RCF working environment regulations compliant products stabilizes, we will strengthen our sales structure in order to meet the new needs and expectations precisely of customers. In addition, we will aim to build the optimal sales structure in overseas markets.

In our other businesses, we will aim for development and sales expansion of worldwide environmental regulations compliant functional ceramics, and increased sales of construction and environmental related products towards full-scale demand in connection with the Tokyo Olympic Games.

(5) Change in Results and Assets

1) Change in results and assets of Isolite Group

Unit: million yen

	125th Term (Apr. 2014 - Mar. 2015)	126th Term (Apr. 2015 - Mar. 2016)	127th Term (Apr. 2016 - Mar. 2017)	128th Term (Current consolidated fiscal year) (Apr. 2017 - Mar. 2018)
Sales	13,948	14,330	14,566	16,765
Recurring Profit	1,004	1,539	2,086	3,315
Current Term Net Profit attributable to parent company shareholders	587	947	1,422	2,289
Profit per Share	24.94 yen	40.24 yen	60.41 yen	97.22 yen
Total Assets	17,461	17,139	17,539	19,290
Net Assets	7,616	8,135	9,488	11,897

(Note) 1. Profit per share is calculated based on the average number of outstanding shares during the term after deducting treasury stock.

- In the 125th term, as domestic demand increased and exports grew, sales increased, and as we made efforts to reduce manufacturing costs and reduce expenses, recurring profit, current term net profit attributable to parent company shareholders increased.
- In the 126th term, revenue increased due to steady orders both in Japan and overseas, and as we made efforts to reduce costs, recurring profit, current term net profit attributable to parent company shareholders increased.
- In the 127th term, revenue increased due to continued profit improvement in Japanese companies, and due to the effects of sales promotion activities for high-value-added products, etc., recurring profit, current term net profit attributable to parent company shareholders increased.

2) Change in results and assets of the Company (Isolite only)

Unit: million yen

	125th Term (Apr. 2014 - Mar. 2015)	126th Term (Apr. 2015 - Mar. 2016)	127th Term (Apr. 2016 - Mar. 2017)	128th Term (Current consolidated fiscal year) (Apr. 2017 - Mar. 2018)
Sales	7,170	7,475	7,724	8,367
Recurring Profit	582	751	1,072	1,655
Net Profit	401	401	929	1,338
Net Profit per Share	17.04 yen	17.06 yen	39.45 yen	56.83 yen
Total Assets	13,999	13,691	14,097	14,599
Net Assets	6,898	7,149	8,162	9,424

(Note) Profit per share is calculated based on the average number of outstanding shares during the term after deducting treasury stock.

(6) Status of Parent Company and Subsidiary Companies

1) Parent company

The parent company of the Company is Shinagawa Refractories Co., Ltd. who owns 12,919,000 shares of the Company (54.86% of the voting rights). The Company sells insulating refractory materials to the parent company and buys refractory materials from the parent company.

With regard to the buying, etc., of products from the parent company, the general conditions in the market is taken into account when evaluating the price and trading conditions and the decision is made to buy if they are determined to be at the same level as other terms and conditions.

In addition, for the sale of our products, etc., we present our asking prices, taking into account market prices and the total cost, etc., and decide on whether to sell them through discussion.

Our Board of Directors determine their appropriateness and validity after gaining an understanding of these transactions and confirming that they do not harm the interests of the Group.

2) Important subsidiary companies

Company	Capital	% of holdings	Major business
Isolite Kenzai Co., Ltd.	¥70,000,000	100%	Production and sales of laminated wood products
Isolite Life Co., Ltd.	¥10,000,000	100%	Operation of gas station, etc.
ITM Co., Ltd.	¥50,000,000	100%	Production and sales of ceramic fibers
Isolite Insulating Firebrick Sdn. Bhd. (Malaysia)	RM31,500,000	100%	Production and sales of insulating firebricks
Isolite Eastern Union Refractories Co., Ltd. (Taiwan)	NT\$156,000,000	60%	Production and sales of ceramic fibers
Isolite Ceramic Fiber Sdn. Bhd. (Malaysia)	RM3,500,000	100%	Production and sales of ceramic fibers
Suzhou Isolite Eastern Union Ceramic Fiber Co., Ltd.(China)	US\$7,000,000	80%	Production and sales of ceramic fibers
Isolite (Shanghai) Trade Co., Ltd. (China)	¥31,250,000	100%	Sales of insulating firebricks and ceramic fibers
ITM Europe GmbH (Germany)	€25,000	100%	Production and sales of ceramic fibers

(NOTES)1. As listed above, there are 9 key subsidiaries under the consolidated group.

2. There are 3 subsidiaries accounted for under the equity method.

3) Other important affiliated company

Company	Capital	% of holdings	Major business
Isolite Fanshin (Taiwan) Co., Ltd.	NT\$24,000,000	50%	Sales of insulating firebricks and ceramic fibers

(7) Main Businesses of Isolite Group (as of March 31, 2018)

Business Segments	Operations
Insulation materials-related business	Production and sales of ceramic fibers, insulating firebricks, materials for IT industry-related equipment, materials for automotive exhaust gas purification systems and monolithic refractory materials and its related products; design and installation of industrial furnaces; sales of fire protection materials.
Other businesses	Production and sales of metal matrix compound materials. Production and sales of porous ceramics. Production and sales of laminated wood products. Sales of home-use burning appliances and petroleum products. Power generation in photovoltaic power plants, supply of electricity

(8) Main Offices and Plants (as of March 31, 2018)

Isolite Insulating Products Co., Ltd.	Head Office (Kita-ku, Osaka City) Tokyo Branch (Chiyoda-ku, Tokyo) Osaka Branch (Kita-ku, Osaka City) Nagoya Branch (Naka-ku, Nagoya City) Kyushu Sales Office (Kokura, Kita-ku, Kitakyushu City) Hokuriku Sales Office (Nanao City, Ishikawa) Otowa Plant (Toyokawa City, Aichi) Nanao Plant (Nanao City, Ishikawa)
Isolite Kenzai Co., Ltd.	Nanao City, Ishikawa Pref.
Isolite Life Co., Ltd.	Nanao City, Ishikawa Pref.
ITM Co., Ltd.	Kanzakicho, Katorigun, Chiba Pref.
Isolite Insulating Firebrick Sdn. Bhd.	Malaysia
Isolite Eastern Union Refractories Co., Ltd.	Taiwan
Isolite Ceramic Fibers Sdn. Bhd.	Malaysia
Suzhou Isolite Eastern Union Ceramic Fiber Co., Ltd.	China
Isolite (Shanghai) Trade Co., Ltd.	China
ITM Europe GmbH	Germany

(Note) The Singapore branch (Singapore) closed on February 28, 2018

The Nagoya branch relocated to Naka-ku, Nagoya City, on March 26, 2018.

(9) Status of Employment (As of March 31, 2018)

1) Isolite Group

Business Segment	Number of Employees
Insulation materials-related business	600
Other businesses	49
Total	649

(Note) Number of employees is the number of working employees, including part-time and does not include temporary employees.

2) Isolite

Number of Employees	Change from previous year	Mean Age	Length of Service
189	+9	44.4	17.3 years

(Note) Number of employees is the number of working employees, including part-time and does not include temporary employees.

(10) Major Lenders (As of March 31, 2018)

Lender	Amount (million yen)
The Sumitomo Trust and Banking Company, Limited.	1,062 million yen
Sumitomo Mitsui Banking Corporation	685 million yen

2. Company Overview

(1) Share Overview (As of March 31, 2018)

- 1) Total number of authorized shares to be issued 51,259,000 shares
- 2) Total number of outstanding shares 23,606,573 shares
- 3) Number of shareholders 4,974
- 4) Major Shareholders (top 10)

Shareholder	Number of shares	Share Ratio
Shinagawa Refractories Co., Ltd.	12,919,000	54.86%
Nichias Corporation	1,010,000	4.29%
Japan Trustee Services Bank, Ltd. (Trust account)	601,000	2.55%
GOLDMAN SACHS INTERNATIONAL	424,000	1.80%
The Master Trust Bank of Japan, Ltd. (Trust account)	271,000	1.15%
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	225,000	0.96%
The Sumitomo Trust and Banking Company, Limited.	215,000	0.91%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	212,000	0.90%
Japan Trustee Services Bank, Ltd. (Trust account 5)	194,000	0.83%
Mitsui Sumitomo Insurance, Limited	191,000	0.81%

(Note) The shareholding ratio is calculated after deducting treasury stock (55,479 shares).

(2) Status of Share Warrant

None

(3) Company Executive Officers

1) Directors and Auditors (as of March 31, 2018)

Position	Name	Management Responsibility
Representative Director, President	Yukitoshi Kubota	General Manager of Sales Department
Managing Director	Tatsuo Sano	Director of Manufacturing Group. In charge of Environmental Safety Measures Office Chairman of Isolite Insulating Firebrick Sdn. Bhd. Chairman of Isolite Eastern Union Refractories Co., Ltd. Chairman of Isolite Ceramic Fibers Sdn. Bhd.
Director	Fumihiko Sakata	Director of Overseas Operations In charge of overseas affiliates Chairman of Foster Engineering Private Limited.
Director	Toshiaki Hashimoto	Director of Research and Development Group. Chairman of Suzhou Isolite Eastern Union Ceramic Fiber Co., Ltd.
Director	Toshihiro Yamawaki	GM of General Affairs Dept. In charge of Information Systems Office, in charge of domestic affiliates
Director (Permanent audit and supervisory committee member)	Keiichiro Koyama	
Director (Audit and supervisory committee member)	Nobuhiro Shiroe	Head of Shiroe Certified Public Accountants Office Representative Member of Kouei Audit Corporation Representative Member of Masters Tax Accountants
Director (Audit and supervisory committee member)	Akihiko Ishikawa	Director of Ishikawa Accounting Office

Consolidated Balance Sheet

(As of March 31, 2018)

Unit: Million Yen

Assets		Liabilities	
Current Assets	12,015	Current Liabilities	5,148
Cash and deposits	3,362	Bills payable and accounts payable	1,872
Bills receivable and accounts receivable	5,599	Short-term borrowings	1,518
Finished products	1,627	Provision for income taxes	573
Products in progress	342	Accrued expenses	419
Raw materials and stored items	554	Accrued bonus	365
Deferred tax asset	210	Other	398
Other current assets	322	Fixed Liabilities	2,243
Allowance for doubtful accounts	-3	Long-term borrowings	1,120
Fixed Assets	7,274	Allowance for environmental measures	7
Tangible Fixed Assets	4,970	Allowance for retirement benefits	52
Buildings & structures	1,402	Allowance for retirement benefits	556
Machinery and vehicle equip.	1,136	Guarantee deposits received	185
Tools, apparatus and fixtures	176	Other	322
Land	2,146	Total of Liabilities	7,392
Construction in progress	108	Net Assets	
Intangible Fixed Assets	193	Shareholders' Equity	10,971
Investments/Other Assets	2,110	Capital	3,196
Investment in securities	1,450	Capital surplus	2,254
Long-term loans	330	Accumulated earnings	5,530
Deferred tax asset	75	Treasury stock	-11
Other	355	Total of Other Comprehensive Income	310
Allowance for doubtful accounts	-100	Reserve from securities revaluation	451
Total of Assets	19,290	Exchange adjustments	-139
		Foreign currency translation adjustment	-0
		Non-controlling shareholder equity	616
		Total of Net Assets	11,897
		Total of Liabilities and Net Assets	19,290

(Note) Figures are rounded down to the nearest million yen.

Consolidated Profit and Loss Statement

(April 1, 2017 - March 31, 2018)

Unit: Million Yen

Item	Amount	
Sales		16,765
Cost of sales		10,189
Gross profit		6,576
Selling and general administrative expenses		3,423
Operating profit		3,153
Non-operating profit		
Interest/dividend received	49	
Rent payment receivable	13	
Equity in earnings of affiliates	94	
Currency exchange loss	20	
Other	63	241
Non-operating expenses		
Interest paid	27	
Depreciation of temporarily idling fixed asset	19	
Other	33	80
Recurring Profit		3,315
Net Income Before Taxes and Other Adjustments		3,315
Corporate tax, corporate inhabitant tax and corporate enterprise tax	960	
Corporate tax adjustment	-16	943
Current Term Net Profit		2,371
Current Term Net Profit attributable to non-controlling shareholders		81
Current Term Net Profit attributable to parent company shareholders		2,289

(Note) Figures are rounded down to the nearest million yen.

Consolidated statement of shareholders' equity

(April 1, 2017 - March 31, 2018)

Unit: Million Yen

	Shareholders' Equity					Total shareholder equity
	Capital	Capital surplus	Retained earnings	Treasury stock		
Balance at the beginning of current period	3,196	2,254	3,429	-10		8,869
Change during the consolidated fiscal year						
Dividends from surplus			-188			-188
Current term net profit attributable to parent company stock			2,289			2,289
Acquisition of treasury stock				-0		-0
Net change during the consolidated fiscal year for items other than shareholder equity [net]						
Total change during the consolidated fiscal year	-	-	2,101	-0		2,101
Balance at the end of current period	3,196	2,254	5,530	-11		10,971

	Accumulated amount for other comprehensive income				Controlling shareholder equity	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency conversion adjustments	Adjusted accumulated amount for retirement benefits	Total accumulated amount for other comprehensive income		
Balance at the beginning of current period	338	-217	-5	115	503	9,488
Change during the consolidated fiscal year						
Dividends from surplus						-188
Current term net profit attributable to parent company stock						2,289
Acquisition of treasury stock						-0
Net change during the consolidated fiscal year for items other than shareholder equity [net]	112	77	4	195	112	308
Total change during the consolidated fiscal year	112	77	4	195	112	2,409
Balance at the end of current period	451	-139	-0	310	616	11,897

(Note) Figures are rounded down to the nearest million yen.

Company Balance Sheet (Isolite)

(As of March 31, 2018)

Unit: Million Yen

Assets		Liabilities	
		Current Liabilities	3,281
Current Assets	6,271	Bills payable	515
Cash and deposits	252	Accounts payable	702
Bills receivable	1,494	Short-term borrowings	700
Accounts receivable	2,259	Long-term borrowings due within one year	683
Finished products	775	Accounts payable-other	113
Property for sale	303	Provision for income taxes	169
Products in progress	64	Consumption tax payable	53
Materials and supplies	127	Accrued expenses	154
Short-term loan	885	Accrued bonus	160
Deferred tax asset	71	Other	30
Other current assets	98	Fixed Liabilities	1,893
Allowance for doubtful accounts	-62	Long-term borrowings	1,120
Fixed Assets	8,328	Allowance for environmental measures	6
Tangible Fixed Assets	2,942	Allowance for retirement benefits	285
Buildings	546	Guarantee deposits received	185
Structures	37	Other	296
Machinery and equipment	462		
Vehicles	0	Total of Liabilities	5,175
Tools, apparatus and fixtures	59		
Land	1,809	Net Assets	
Construction in progress	27	Shareholders' Equity	8,975
Intangible Fixed Assets	65	Capital	3,196
Software	29	Capital surplus	2,254
Other	35	Capital surplus reserve	904
Investments/Other Assets	5,320	Other capital surplus	1,350
Investment in securities	1,032	Accumulated earnings	3,535
Stock of affiliated companies	3,436	Accumulated Earnings	3,535
Investments in affiliated companies	757	Other accumulated earnings	3,535
Long-term prepaid expenses	22	Treasury stock	-11
Other investments	90	Valuation and translation adjustments, etc.	449
Allowance for doubtful accounts	-18	Other gains from appreciation of securities	449
		Total of Net Assets	9,424
Total of Assets	14,599	Total of Liabilities and Net Assets	14,599

(Note) Figures are rounded down to the nearest million yen.

Company Profit and Loss Statement (Isolite)

(April 1, 2017 - March 31, 2018)

Unit: Million Yen

Item	Amount	
Sales		8,367
Cost of sales		5,366
Gross profit		3,000
Selling and general administrative expenses		1,983
Operating profit		1,017
Non-operating profit		
Interest/dividend received	621	
Currency exchange loss	22	
Others	69	714
Non-operating expenses		
Interest paid	23	
Depreciation of temporarily idling fixed asset	19	
Other expenses	34	76
Recurring Profit		1,655
Extraordinary Loss		
Transfer of allowance for doubtful accounts	58	58
Net Income Before Taxes and Other Adjustments		1,596
Corporate tax, corporate inhabitant tax and corporate enterprise tax	260	
Adjustment of income taxes	-1	258
Current Term Net Profit		1,338

(Note) Figures are rounded down to the nearest million yen.

Statement of changes in net assets

(April 1, 2017 - March 31, 2018)

Unit: Million Yen

	Shareholders' Equity							Total shareholder equity
	Capital stock	Capital surplus			Retained earnings		Treasury stock	
		Capital reserves	Other capital surplus	Capital surplus total	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at the beginning of current period	3,196	904	1,350	2,254	2,385	2,385	-10	7,825
Change during the fiscal year								
Dividends from surplus					-188	-188		-188
Net income					1,338	1,338		1,338
Acquisition of treasury stock							-0	-0
Change during the fiscal year for items other than shareholder equity [net]								
Total change during the fiscal year	—	—	—	—	1,150	1,150	-0	1,150
Balance at the end of current period	3,196	904	1,350	2,254	3,535	3,535	-11	8,975

	Valuation and translation adjustments, etc.		Total of Net Assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	336	336	8,162
Change during the fiscal year			
Dividends from surplus			-188
Net income			1,338
Acquisition of treasury stock			-0
Change during the fiscal year for items other than shareholder equity [net]	112	112	112
Total change during the fiscal year	112	112	1,262
Balance at the end of current period	449	449	9,424

(Note) Figures are rounded down to the nearest million yen.

Reference Data for General Meeting of Shareholders

Resolution No. 1: Appropriation Plan of Retained Earnings

For the year-end dividend for the current fiscal year, having taken into consideration the business results for the current fiscal year as well as future business development, etc., we would like it to be as follows.

(1) Type of dividend property

The dividend shall be monetary.

(2) The matters regarding the assignment of the dividend property and the total amount

We would like the dividend to be 6 yen per share of company's common stock

In this case, the total dividend will be 141,306,564 yen.

(3) The date on which such distribution of dividend of surplus takes effect.

It shall be on June 28, 2018

Resolution No. 2:

Election of 5 Directors (Excluding Directors who are audit and supervisory committee members.) The term of office of all five Directors (Excluding Directors who are audit and supervisory committee members. The same shall apply hereinafter in this resolution.) shall expire at the conclusion of this General Meeting of Shareholders.

For this reason, we are requesting the election of five Directors.

With regard to this resolution, the Audit Committee considers it appropriate to appoint each of the director candidates as directors.

The director candidates are as follows.

Candidate No.	Name (Date of birth)	Biography, status and responsibilities within our company (Status of important concurrent positions)	The number of company shares owned
*1	Eishi Iida (August 25, 1955)	<p>April 1981 Joined Shinagawa Shirorenga Co., Ltd. (Now Shinagawa Refractories Co., Ltd.)</p> <p>April 2009 Director of the Yumoto plant of the above</p> <p>October 2009 Executive director of Shinagawa Refractories Co., Ltd. and director of Yumoto plant</p> <p>June 2012 Executive Vice President of the company and director of Yumoto plant</p> <p>June 2013 Representative Executive Officer of the company and director of Okayama plant</p> <p>April 2014 Representative Executive Officer of the company and director of West Japan plant</p> <p>April 2018 Consulting Director of Isolite's Sales Department</p>	—
Reason for being a candidate for the board of directors Mr. Eishi Iida has been involved with the work of the technology development division and manufacturing division at Shinagawa Refractories for many years, and has a wealth of insight, experience and achievements as a manager, and we have determined that he would serve to strengthen Isolite's management structure. So, we request that he be elected as a Director.			
2	Tatsuo Sano (Born November 10, 1954)	<p>April 1977 Joined Isolite Babcock Refractories Co., Ltd. (now Isolite Insulating Products Co., Ltd.)</p> <p>April 2007 GM of Isolite' insulating fire brick business</p> <p>June 2009 GM of Isolite's ceramic fiber business division</p> <p>April 2011 GM of Isolite's production division and Director of Otowa plant</p> <p>June 2014 Managing Director of Isolite's production division</p> <p>(Status of important concurrent positions)</p> <ul style="list-style-type: none"> • Chairman of Isolite Insulating Firebrick Sdn. Bhd. • Chairman of Isolite Eastern Union Refractories Co., Ltd. • Chairman of Isolite Ceramic Fibers Sdn. Bhd. • Chairman of Foster Engineering Pte. Ltd. 	21,000 shares
Reason for being a candidate for the board of directors Mr. Tatsuo Sano has extensive experience at our production departments, both in Japan and overseas and is currently overseeing our domestic plants, as well as playing an important role in assisting the representative director as managing director. So, we request that he be elected to continue on as a Director.			
3	Toshiaki Hashimoto (Born December 19, 1957)	<p>April 1982 Joined Nippon Sheet Glass Co., Ltd.</p> <p>October 2008 GM of Isolite's President's office</p> <p>April 2009 GM of Otowa plant and Director of R & D division</p> <p>April 2010 Director of environmental business division and GM of new business department</p> <p>April 2011 Director of Isolite's technology development division and GM of environmental business division</p> <p>June 2011 Director of Isolite's technology development division</p> <p>(Status of important concurrent positions)</p> <ul style="list-style-type: none"> • Chairman of Suzhou Isolite Eastern Union Ceramic Fiber Co., Ltd. 	32,700 shares
Reason for being a candidate for the board of directors Mr. Toshiaki Hashimoto has an extensive track record in the technology development department and has played an important role in R & D and quality assurance of new products. So, we request that he be elected to continue on as a Director.			
4	Toshihiro Yamawaki (Born October 13, 1954)	<p>April 1977 Joined Kawasaki Rozai Co., Ltd. (Now Shinagawa Refractories Co., Ltd.)</p> <p>July 2008 GM of the company's planning department and accounting office</p> <p>October 2009 GM of Accounting Department of Shinagawa Refractories Co., Ltd.</p> <p>June 2012 Executive director of the company's accounting department</p> <p>April 2014 Consulting GM of Isolite's general affairs department and GM of accounting department</p> <p>June 2014 GM of Isolite's general affairs department (current) and GM of accounting department</p>	12,700 shares
Reason for being a candidate for the board of directors Mr. Toshihiro Yamawaki has a strong track record spanning the general affairs, personnel, accounting, finance and administration departments in general, and he has played an important role in strengthening our management system. So, we request that he be elected to continue on as a Director.			
*5	Akihiko Okada (Born January 2, 1958)	<p>April 1982 Joined Isolite Babcock Refractories Co., Ltd. (now Isolite Insulating Products Co., Ltd.)</p> <p>April 2000 Managing Director of Isolite Ceramic Fibers Sdn. Bhd.</p> <p>May 2005 Director of Isolite's ceramic fiber business division</p> <p>May 2007 Managing Director of Isolite Insulating Firebrick Sdn. Bhd.</p> <p>April 2013 Director of Otowa plant manufacturing division</p> <p>April 2015 Director of Otowa plant (current) and Director of manufacturing division</p>	23,100 shares
Reason for being a candidate for the board of directors Mr. Akihiko Okada has a thorough knowledge of production sector business, both in Japan and overseas, and has extensive experience and knowledge of Isolite's business activities. So, we request that he be elected as a Director.			

Resolution No.3 :

Election of 3 Directors who are audit and supervisory committee members

The term of office of all three Directors who are audit and supervisory committee members shall expire at the conclusion of this General Meeting of Shareholders.

For this reason, we request the election of three Directors who are audit and supervisory committee members.

With regard to this proposal, the approval of the Auditing Committee has been obtained.

The candidates for directors who are audit and supervisory committee members are as follows.

Candidate No.	Name (Date of birth)	Biography, status and responsibilities within our company (Status of important concurrent positions)	The number of company shares owned
*1	Hiroshi Sato (Born July 2, 1958)	April 1982 Joined Isolite Babcock Refractories Co., Ltd. (now Isolite Insulating Products Co., Ltd.) April 2003 Representative director of Isolite's Otowa Plant October 2009 GM of Isolite Eastern Union Refractories. Co., Ltd. April 2016 Director of Isolite's Nanao Plant	—
Reason for being a candidate for the board of directors who is an audit and supervisory committee member. It has been determined that Mr. Hiroshi Sato can appropriately oversee the management of the Isolite Group as a whole with his objective perspective and proposals, based on the experience he has cultivated in the accounting sector, so we request that he be elected as a Director who is an audit and supervisory committee member.			
2	Nobuhiro Shirae (Born October 18, 1965)	September 1990 Joined Chuo Shinkou Audit Corporation March 1994 Registered as certified public accountant July 1995 Established Shirae Accounting Office November 1995 Registered as certified tax accountant June 2006 Isolite external auditor June 2015 Isolite external director June 2016 Isolite external director (Audit and supervisory committee member) (Status of important concurrent positions) Head of Shirae Certified Public Accountants Office Representative Member of Kouei Audit Corporation Representative Member of Masters Tax Accountants	10,300 shares
Reason for being a candidate for an external director who is an audit and supervisory committee member. Mr. Nobuhiro Shirae has a specialist perspective of finance and accounting, cultivated over his career as a certified public accountant, and he has appropriately carried out his responsibilities as an Isolite external director and external auditor. We hope for his continued contribution to the management and auditing of our company, so we request that he be elected to continue on as an external director and external auditor who is an audit and supervisory committee member.			
3	Akihiko Ishikawa (Born December 22, 1968)	December 1995 Joined Kitahama Accounting Office April 1999 Registered as certified public accountant, established Ishikawa Accounting Office June 1999 Registered as certified tax accountant June 2015 Isolite external auditor June 2016 Isolite external director (Audit and supervisory committee member) (Status of important concurrent positions) Director of Ishikawa Accounting Office	4,200 shares
Reason for being a candidate for an external director who is an audit and supervisory committee member. Mr. Akihiko Ishikawa has a specialist perspective of finance and accounting, cultivated over his career as a certified public accountant, and he has appropriately carried out his responsibilities as an Isolite external director and external auditor. We hope for his continued contribution to the management and auditing of our company, so we request that he be elected to continue on as an external director and external auditor who is an audit and supervisory committee member.			