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(Stock Exchange Code 4980)
May 29, 2020

To Shareholders with Voting Rights:

Yoshihisa Shinya
Representative Director
Dexerials Corporation
1-11-2, Osaki, Shinagawa-ku, Tokyo

**NOTICE OF
THE 8TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We wish to inform you that the 8th Annual General Meeting of Shareholders of Dexerials Corporation (the "Company") will be held as described below.

From the viewpoint of preventing infection by the novel coronavirus, we strongly request that you refrain from attending this General Meeting of Shareholders and instead exercise your voting rights in writing (by submitting the enclosed Voting Rights Exercise Form) or via the Internet etc. in advance.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Thursday, June 18, 2020, Japan standard time.

Exercise of voting rights in writing

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it arrives by the cutoff time for exercise of voting rights specified above.

Exercise of voting rights by electromagnetic means (via the Internet etc.)

Please access the voting rights exercise website specified by the Company (<https://evote.tr.mufig.jp/>) and input your approval or disapproval of the proposals by the cutoff time for exercise of voting rights specified above, following the instructions on screen.

1. Date and Time: Friday, June 19, 2020 at 11:00 a.m. Japan standard time
(The reception desk opens at 10:00 a.m.)

2. Place: Gate City Hall Room D
1st floor of Gate City Ohsaki West Tower
1-11-1, Ohsaki, Shinagawa-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 8th Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 8th Fiscal Year (April 1, 2019 - March 31, 2020)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Six (6) Directors

- The Matters Related to Subscription Rights to Shareholders, which are part of the Business Report, and Notes to the Consolidated Financial Statements, which are part of the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements, which are part of the Non-consolidated Financial Statements, have been posted on the Company's website in accordance with laws and regulations and Article 14 of the Articles of Incorporation of the Company.
- Should matters to be described in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website.
- The results of resolutions at this Annual General Meeting of Shareholders will be posted on the Company's website.
- The Company will implement necessary measures to prevent infection according to the situation concerning the novel coronavirus on the day of the General Meeting of Shareholders.
If there is any major change in the operation of the Meeting due to future circumstances, we will post it on the Company's website.
If you consider to attend the Meeting, please be sure to check the Company's website in advance.

Company's website: <https://www.dexterials.jp/>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We position returning profit to shareholders as one of the most important management issues. Based on the recognition that enhancement of corporate value by growth investment are the common interests of our shareholders, while prioritizing business investment that will lead to sustainable enhancement of corporate value, our basic policy is to distribute profit to shareholders according to profit growth. We target a total payout ratio to consolidated profit before amortization of goodwill of approximately 40%.

Based on this policy, we propose to pay a year-end dividend of 17 yen per share for the current fiscal year.

*Total payout ratio to consolidated profit before amortization of goodwill

= $\frac{\text{Total payout amount (Annual total dividends paid + Annual total share buyback)}}{\text{Consolidated profit + Amortization of goodwill}} \times 100$

1. Type of dividend assets
Cash
2. Allotment of dividend assets to shareholders and the total amount
17 yen per share of common stock of the Company
Total amount: 1,087,554,549 yen
3. Effective date of distribution of surplus
June 22, 2022

Reference

Annual dividend

34 yen per share (interim dividend: 17 yen, year-end dividend: 17 yen)

Total payout ratio*: 45.6%

*Total payout ratio to consolidated profit before amortization of goodwill

Proposal 2: Election of Six (6) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to elect six (6) Directors.

The candidates for Director are as follows.

No.		Name	Age	Current positions and responsibilities at the Company	No. of years served as Director	Attendance at Board of Directors' meetings
1	Reappointment	Yoshihisa Shinya	50	Representative Director and President President and Executive Officer Automotive Solutions Business Unit Head	1 year	100% (9/9)**
2	Reappointment	Toshiya Satake	60	Representative Director Senior Managing Executive Officer Officer in charge of Internal Audit	1 year	100% (12/12)*
3	Reappointment	Masao Hirano	64	Independent Officer Outside Director	5 years	100% (12/12)
4	Reappointment	Takashi Yokokura	71	Independent Officer Outside Director	5 years	100% (12/12)
5	Reappointment	Takao Tsuji	70	Independent Officer Outside Director	1 year	100% (9/9)**
6	Reappointment	Rika Sato	57	Independent Officer Outside Director	1 year	100% (12/12)*

Notes:

1. Mr. Masao Hirano, Mr. Takashi Yokokura, Mr. Takao Tsuji, and Ms. Rika Sato are candidates for Outside Directors.
If their election is approved as proposed, the Company intends to designate them as Independent Officers as prescribed by the Tokyo Stock Exchange.
2. The age of a candidate for Director is the age at the conclusion of this Annual General Meeting of Shareholders.
3. * indicates that the attendance at Board of Directors' meetings includes attendance during the candidate's service as an Audit & Supervisory Board Member.
4. ** indicates the attendance at Board of Directors' meetings held following the candidate's assumption of office.

[Basic Policy and Procedures for Nomination of Candidates for Director]

In nominating candidates for Director, the Company's criteria for selecting candidates for Director include that persons are capable of making decisions and executing in accordance with the Company's corporate philosophy, are of good character, have effective communication skills, and have leadership qualities. For Outside Directors, the Company seeks persons from outside the Company who have experience as corporate managers of global enterprises, knowledge of technological development, and specialized knowledge in the fields of legal affairs, finance and accounting, etc., and moreover, are highly independent.

In selecting Outside Directors, the Company determines candidates, taking into consideration the balance of knowledge, experience, specialized fields, etc. of the Board of Directors as a whole.

As independent Outside Directors are the majority of the Company's Board of Directors, candidates for Director are selected from a neutral perspective. Nomination of candidates for Director is determined following review in advance by the Nomination and Remuneration Committee in order to deepen discussion among members including independent Outside Directors.

Name	Career summary	
<p>Reappointment</p> <p>1 Yoshihisa Shinya</p> <p>Date of birth: July 20, 1969 Age: 50</p> <p>No. of years served as Director: 1 year</p> <p>Number of shares of the Company held: 34,400 shares</p>	<p>Jul. 2001</p> <p>Apr. 2005</p> <p>Apr. 2012</p> <p>Sep. 2012</p> <p>Apr. 2014</p> <p>Apr. 2016</p> <p>Apr. 2017</p> <p>Jan. 2019</p> <p>Mar. 2019</p> <p>Jun. 2019</p> <p>[Significant concurrent positions]</p> <p>-</p>	<p>Joined Sony Chemicals Corporation (current the Company)</p> <p>General Manager, Development Department, Optical Material Business Unit, Sony Chemicals Corporation</p> <p>Deputy Head, Optical Solutions Products Business Division, Sony Chemicals Corporation</p> <p>Deputy Head, Optical Solutions Products Business Unit, the Company</p> <p>Executive Officer, Optical Solutions Products Business Unit Head, the Company</p> <p>Executive Officer, Product Development Division Head, Business Unit Group Deputy-Head, Corporate R&D Division Deputy-Head, the Company</p> <p>Senior Executive Officer, Product Development Division Head, Automotive Devices Business Group Head, the Company</p> <p>Senior Executive Officer, Automotive Solutions Business Unit Head, the Company</p> <p>President and Executive Officer, Automotive Solutions Business Unit Head, the Company (to present)</p> <p>Representative Director and President (to present)</p>
<p>[Special interest relationship with the Company]</p> <p>-</p>		
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Yoshihisa Shinya is playing a central role in product development with regard to the Company's entry to new business fields and has deep insight about technology and a wealth of experience in business operations. The Company judges that he is capable of appropriately fulfilling his duties as a Director and therefore nominates him as a candidate for Director.</p>		

Name	Career summary
<p>Reappointment</p> <p>2 Toshiya Satake</p> <p>Date of birth: June 29, 1959 Age: 60</p> <p>No. of years served as Director: 1 year</p> <p>Number of shares of the Company held: -</p>	<p>Apr. 1983 Joined Hokkaido-Tohoku Development Finance Public Corporation (current Development Bank of Japan Inc.)</p> <p>Apr. 2006 Deputy Head of Business Development Department, Head of Transaction Services Group, Development Bank of Japan Inc.</p> <p>Jun. 2009 Director, General Manager, Planning Department, Skynet Asia Airways Co., Ltd. (current Solaseed Air Inc.)</p> <p>Apr. 2012 Head of Regional Planning Department, Development Bank of Japan Inc.</p> <p>Jun. 2013 Head of Regional Planning Department, Head of PPP/PFI Promotion Center, Development Bank of Japan Inc.</p> <p>Apr. 2014 Advisor, the Company</p> <p>Jun. 2014 Standing Audit & Supervisory Board Member, the Company</p> <p>Jun. 2019 Representative Director and Senior Managing Executive Officer Officer in charge of Internal Audit, the Company (to present)</p> <p>[Significant concurrent positions] -</p>
<p>[Special interest relationship with the Company] -</p>	
<p>[Reasons for nomination as a candidate for Director] Mr. Toshiya Satake has a wealth of experience and deep insight gained through his involvement in investment and financing business at financial institutions and as a manager of a company. He is well versed in the Company's overall management through involvement in the Company's auditing in the course of his service as a Standing Audit & Supervisory Board Member. The Company judges that he is capable of appropriately fulfilling his duties as a Director and therefore nominates him as a candidate for Director.</p>	

Name	Career summary
<p>Reappointment Outside Director Independent Officer</p> <p>3 Masao Hirano</p> <p>Date of birth: August 3, 1955 Age: 64</p> <p>No. of years served as Director: 5 years</p> <p>Number of shares of the Company held: -</p>	<p>Apr. 1980 Joined JGC Corporation</p> <p>Nov. 1987 Joined McKinsey & Company, Inc.</p> <p>Jul. 1993 Partner, McKinsey & Company, Inc.</p> <p>Jul. 1998 Managing Director of McKinsey Japan</p> <p>Nov. 2007 Managing Director and Co-Head of Japan Buyout, Carlisle Japan, LLC</p> <p>Jan. 2012 President & Representative Director, m&i Co., Ltd. (to present)</p> <p>Apr. 2012 Professor, Faculty of Commerce, Waseda University (to present)</p> <p>Mar. 2014 Outside Director, Broadleaf Co., Ltd.</p> <p>May 2015 Outside Director, the Company (to present)</p> <p>Aug. 2016 Outside Director, LOCONDO, Inc.</p> <p>Jun. 2017 Outside Director, LITALICO Inc. (to present)</p> <p>Mar. 2019 External Director, Uzabase, Inc. (to present)</p> <p>Aug. 2019 Chairman, Spiral Capital, Inc. (to present)</p> <p>[Significant concurrent positions] Professor, Faculty of Commerce, Waseda University Outside Director, LITALICO Inc. External Director, Uzabase, Inc. Chairman, Spiral Capital, Inc.</p>
<p>[Special interest relationship with the Company]</p> <p>-</p>	
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Masao Hirano has deep insight about corporate management as a university professor and management consultant. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and therefore nominates him as a candidate for Outside Director. In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Hirano. Thus, if his reelection is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.</p>	
<p>[Limited liability agreement]</p> <p>In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.</p> <p>If reelection of Mr. Masao Hirano is approved as proposed, the Company intends to continue the said contract with him.</p>	

Name	Career summary
<p>Reappointment Outside Director Independent Officer</p> <p>4 Takashi Yokokura</p> <p>Date of birth: March 9, 1949 Age: 71</p> <p>No. of years served as Director: 5 years</p> <p>Number of shares of the Company held: -</p>	<p>Apr. 1971 Joined Tokyo Optical Co., Ltd. (current TOPCON Corporation)</p> <p>Oct. 1993 General Manager of Electronic Beam Engineering Department, Electronic Beam Division, TOPCON Corporation</p> <p>Apr. 1997 Technology Executive, Industrial Equipment Division, TOPCON Corporation</p> <p>Jun. 2002 Executive Officer, TOPCON Corporation</p> <p>Jun. 2003 Director, TOPCON Corporation</p> <p>Jun. 2006 President and Representative Director, TOPCON Corporation</p> <p>Jun. 2011 Advisor, TOPCON Corporation</p> <p>Dec. 2012 Governor, Tokyo University of Science</p> <p>May 2015 Outside Director, the Company (to present)</p> <p>Oct. 2015 Director, Tokyo University of Science</p> <p>[Significant concurrent positions] -</p>
<p>[Special interest relationship with the Company] -</p>	
<p>[Reasons for nomination as a candidate for Director] Having held important posts at a listed company, Mr. Takashi Yokokura has deep insight into corporate management. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and contribute to strengthening of the Company's technology development and business development, and therefore nominates him as a candidate for Outside Director. In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Yokokura. Thus, if his reelection is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.</p>	
<p>[Limited liability agreement] In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors. If reelection of Mr. Takashi Yokokura is approved as proposed, the Company intends to continue the said contract with him.</p>	

Name	Career summary
<p>Reappointment Outside Director Independent Officer</p> <p>5 Takao Tsuji</p> <p>Date of birth: September 28, 1949 Age: 70</p> <p>No. of years served as Director: 1 year</p> <p>Number of shares of the Company held: 3,000 shares</p>	<p>Apr. 1973 Joined Nissho Iwai Corporation (current Sojitz Corporation), Tokyo Head Office</p> <p>Jun. 1999 Director, NISSHO ELECTRONICS CORPORATION</p> <p>Mar. 2000 Director, FUSION COMMUNICATIONS CORPORATION (Part-time)</p> <p>Jun. 2001 Managing Director, NISSHO ELECTRONICS CORPORATION</p> <p>Jun. 2002 President and Representative Director, NISSHO ELECTRONICS CORPORATION</p> <p>Jun. 2009 Chairman of the Board of Directors, NISSHO ELECTRONICS CORPORATION</p> <p>Jun. 2013 External Director, JVCKENWOOD Corporation</p> <p>May 2014 President, Representative Director of the Board, Chief Executive Officer (CEO), Chief Risk Officer (CRO), Chief Innovation Officer (CIO), JVCKENWOOD Corporation</p> <p>Jun. 2016 President, Representative Director of the Board, Chief Executive Officer (CEO), JVCKENWOOD Corporation</p> <p>Apr. 2018 Representative Director of the Board, Chairman & Chief Executive Officer (CEO), Chief Export Control Officer, JVCKENWOOD Corporation</p> <p>Apr. 2019 Representative Director of the Board, Chairman, JVCKENWOOD Corporation (to present)</p> <p>Jun. 2019 Outside Director, the Company (to present)</p> <p>[Significant concurrent positions] Representative Director of the Board, Chairman, JVCKENWOOD Corporation</p>
<p>[Special interest relationship with the Company]</p> <p>The Company has transactions with subsidiaries of JVCKENWOOD Corporation where Mr. Takao Tsuji serves as Representative Director of the Board and Chairman with respect to sales of the Company's products but the amount of sales of such products accounts for less than 0.2% of the Company's consolidated net sales.</p>	
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Takao Tsuji has a wealth of experience about corporate management as a corporate manager of a listed company and specialized knowledge as an engineer. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and contribute to strengthening of the Company's technology development and business development, and therefore nominates him as a candidate for Outside Director.</p> <p>In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Tsuji. Thus, if his reelection is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.</p>	
<p>[Limited liability agreement]</p> <p>In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.</p> <p>If reelection of Mr. Takao Tsuji is approved as proposed, the Company intends to continue the said contract with him.</p>	

Name	Career summary
<p>Reappointment Outside Director Independent Officer</p> <p>6 Rika Sato</p> <p>Date of birth: August 15, 1962 Age: 57</p> <p>No. of years served as Director: 1 year</p> <p>Number of shares of the Company held: -</p>	<p>Apr. 1992 Registered as attorney-at-law (The Tokyo Bar Association)</p> <p>Dec. 1998 Registered as attorney-at-law (New York State)</p> <p>Jun. 2000 Joined Asahi & Koma Law Office (current NISHIMURA & ASAH)</p> <p>Jan. 2003 Partner, Asahi & Koma Law Office</p> <p>Jun. 2007 Joined Jones Day, Partner</p> <p>May 2015 Outside Audit & Supervisory Board Member, the Company</p> <p>Jan. 2016 Partner, Ota & Sato</p> <p>Jun. 2018 Outside Director, CMK CORPORATION (to present)</p> <p>Jun. 2019 Outside Director, the Company (to present)</p> <p>Jul. 2019 Partner, Sato & Partners (to present)</p> <p>Nov. 2019 Examiner for the National Bar Examination and Examiner for the Preliminary National Bar Examination (in charge of Code of Civil Procedure) (to present)</p> <p>[Significant concurrent positions] Attorney-at-law (Partner, Sato & Partners) Outside Director, CMK CORPORATION</p>
<p>[Special interest relationship with the Company]</p> <p>-</p>	
<p>[Reasons for nomination as a candidate for Director]</p> <p>Ms. Rika Sato has deep insight about corporate legal affairs as an attorney-at-law and has a track record of contributing to enhancement of the quality of auditing of the Company through her service as an Outside Audit & Supervisory Board Member of the Company. The Company judges that she can provide useful advice and suggestions that contribute to strengthening of the functions for supervision of the Company's business execution, and therefore nominates her as a candidate for Outside Director.</p> <p>Although Ms. Sato has no experience of involvement in corporate management other than serving as an outside officer, the Company believes that she is capable of appropriately performing duties as an Outside Director for the reasons stated above.</p> <p>In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Ms. Sato. Thus, if her reelection is approved as proposed, the Company intends to continue her designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.</p>	
<p>[Limited liability agreement]</p> <p>In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.</p> <p>If reelection of Ms. Rika Sato is approved as proposed, the Company intends to continue the said contract with her.</p>	

(Reference)

Independence Standards for Outside Directors

If none of the following attributes applies to an Outside Director or a candidate for Outside Director, the Company judges that such Outside Director or candidate for Outside Director is independent from the Company.

1. A person who currently serves as Director (excluding Outside Director. The same applies hereinafter.), Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member, with the same applying hereinafter), Executive Officer or employee of the Company or subsidiaries of the Company (hereinafter referred to as the “Dexerials Group”) (hereinafter referred to collectively as “Director etc.”) or served as such in the 10 years prior to his/her appointment.
2. A second-degree or closer relative of a Director etc. of the Dexerials Group
3. A major shareholder of the Company (or if the shareholder is an organization, such as a corporation, a person who belongs to it) (*1)
4. A person who belongs to an organization of which the Company is a major shareholder
5. A major business partner of the Dexerials Group (or if the business partner is a corporation etc., a person who belongs to it)
6. A major lender to or creditor of the Dexerials Group (or if the lender or creditor is an organization, such as a corporation, a person who belongs to it) (*3)
7. A person who has received a donation amounting to 10 million yen or more in the current fiscal year from the Dexerials Group (or if the person receiving such donation is an organization, such as a corporation or an association, a person who belongs to such organization or belonged to such organization in the most recent five years)
8. A person who has received remuneration amounting to 10 million yen or more in the current fiscal year for providing professional services concerning law, finance, tax affairs, etc. or consulting services to the Dexerials Group (or if such person is an organization, such as a corporation, a person who belongs to it)
9. The company where a person serves as a Director etc. and the Dexerials Group have a relationship of interlocking outside officers. (*4)

Notes:

1. “Major shareholder” means a person who directly or indirectly holds 10% or more of the total voting rights.
2. “Major business partner” means a person who received from the Dexerials Group or paid to the Dexerials Group an amount equal to 2% or more of annual consolidated sales of the said business partner or the Dexerials Group.
3. “Major lender” means a lender from which the Dexerials Group borrows an amount equivalent to 2% or more of consolidated total assets.
4. “Relationship of interlocking outside officers” means receiving an outside officer from a company where a Director etc. of the Dexerials Group serves as an outside officer.