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(Securities Code: 4768)

March 7, 2019

To our shareholders:

Yuji Otsuka,
President & Chief Executive Officer
OTSUKA CORPORATION
2-18-4 Iidabashi, Chiyoda-ku, Tokyo

NOTICE OF THE 58TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 58th Annual General Meeting of Shareholders of OTSUKA CORPORATION (the “Company”), which will be held as indicated below.

If you are unable to attend the Meeting, you can exercise your voting rights using any of the following methods. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m., Tuesday, March 26, 2019 (JST).

[Voting by mail]

Please indicate your approval or disapproval of each proposal on the enclosed voting form, and return it so that your vote is received by the above deadline.

[Voting via the internet, etc.]

Please access the voting website designated by the Company (<https://www.web54.net>) using the voting code and password printed on the enclosed voting form, and enter your approval or disapproval of each proposal following the instructions on your screen by the above deadline.

- 1. Date and Time:** Wednesday, March 27, 2019, at 10:00 a.m. (JST)
(The reception desk will open at 9:00 a.m.)
- 2. Venue:** **Large Conference Room, 3rd floor, Head Office of the Company**
2-18-4 Iidabashi, Chiyoda-ku, Tokyo
- 3. Purpose of the Meeting:**
Items to be reported:
 1. The Business Report and the Consolidated Financial Statements for the 58th fiscal year (from January 1, 2018 to December 31, 2018), and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
 2. The Non-consolidated Financial Statements for the 58th fiscal year (from January 1, 2018 to December 31, 2018)

Items to be resolved:

- | | |
|--------------------|--|
| Proposal 1: | Appropriation of Surplus |
| Proposal 2: | Election of 12 Directors |
| Proposal 3: | Election of One Audit & Supervisory Board Member |
| Proposal 4: | Payment of Retirement Benefits to Retiring Directors |

4. Matters Prescribed for Convocation

- (1) In the event that your approval or disapproval of each proposal is not indicated on the voting form, it shall be considered as an indication of approval.
- (2) When voting rights are exercised via the internet, etc. more than once, the last vote shall be deemed effective.
- (3) When voting rights are exercised in duplicate, both in writing and via the internet, etc., the vote via the internet, etc. shall be deemed effective.
- (4) If you diversely exercise your voting rights, you are requested to notify the Company in writing of your intention to do so and state the reason for this no later than three days before the Meeting.

When you attend the Meeting, you are kindly requested to present the enclosed voting form at the reception.

If any changes are made to items in the Reference Documents for the General Meeting of Shareholders and the Business Report, or to Non-consolidated Financial Statements and Consolidated Financial Statements, such changes will be posted on the Company's website (<https://www.otsuka-shokai.co.jp>) (in Japanese only).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company considers the return of profit to shareholders to be one of the most important management issues and its basic policy is to continually pay stable dividends based on its business performance while considering business foundation enhancement and the soundness of the financial structure.

In accordance with this policy, the Company proposes to pay year-end dividends for the 58th fiscal year as follows:

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay the ordinary dividend of ¥85 per common share of the Company.

In this event, the total dividends will be ¥16,116,106,420.

(Note) The Company conducted a share split, effective April 1, 2018, at the ratio of two shares for every one share of common share. If calculated based on the number of shares existing before the share split, the year-end dividend would be ¥170 per share, an increase of ¥30 per share compared with the year-end dividend for the previous fiscal year of ¥140.

(3) Effective date of dividends of surplus

The effective date of dividends will be March 28, 2019.

Proposal 2: Election of 12 Directors

The terms of office of all 14 Directors will expire at the conclusion of this Meeting. Therefore, the Company proposes the election of 12 Directors.

The candidates for Director are as follows:

No.	Name	Current position in the Company	
1	Yuji Otsuka	President & Chief Executive Officer	Reelection
2	Kazuyuki Katakura	Managing Director & Senior Executive Operating Officer	Reelection
3	Toshiyasu Takahashi	Managing Director & Senior Executive Operating Officer	Reelection
4	Hironobu Saito	Managing Director & Senior Operating Officer	Reelection
5	Hironobu Tsurumi	Managing Director & Senior Operating Officer	Reelection
6	Katsuhiro Yano	Managing Director & Operating Officer	Reelection
7	Minoru Sakurai	Managing Director & Operating Officer	Reelection
8	Norihiko Moriya	Managing Director & Operating Officer	Reelection
9	Mitsuya Hirose	Director & Senior Managing Officer	Reelection
10	Yasuhiro Wakamatsu	Director	Reelection
11	Jiro Makino	Director	Candidate for independent outside Director Reelection
12	Tetsuo Saito	Director	Candidate for independent outside Director Reelection

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
1	Yuji Otsuka (February 13, 1954)	Nov. 1981 Joined the Company Mar. 1992 Director Mar. 1993 Operating Director Mar. 1994 Executive Operating Director Mar. 1995 Director & Vice President (Representative Director) Aug. 2001 Director & President (Representative Director) Mar. 2006 President & Chief Executive Officer Apr. 2011 President & Chief Executive Officer, General Manager of Marketing Headquarters (current position) [Significant concurrent positions outside the Company] President & Chief Executive Officer of Otsuka Sobi Co., Ltd.	5,681,880 shares
		[Reasons for nomination as candidate for Director] The Company nominated Yuji Otsuka for another term as a candidate for Director because he has served as President & Chief Executive Officer for many years and, as a corporate manager, has abundant experience and knowledge regarding the Company's overall management as well as excellent insight.	
2	Kazuyuki Katakura (June 11, 1952)	Mar. 1976 Joined the Company Mar. 1997 Director Mar. 1999 Operating Director Jul. 2003 Operating Director & Senior Managing Officer Mar. 2006 Managing Director & Senior Operating Officer Mar. 2008 Managing Director & Executive Operating Officer Mar. 2018 Managing Director & Senior Executive Operating Officer, General Manager of Sales Headquarters, and Deputy General Manager of Marketing Headquarters (current position)	50,000 shares
		[Reasons for nomination as candidate for Director] The Company nominated Kazuyuki Katakura for another term as a candidate for Director because he has been in charge of the entire sales division for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.	
3	Toshiyasu Takahashi (November 7, 1950)	Mar. 1973 Joined the Company Mar. 2002 Director Jul. 2003 Director & Senior Managing Officer Mar. 2006 Managing Director & Operating Officer Mar. 2010 Managing Director & Senior Operating Officer Mar. 2011 Managing Director & Executive Operating Officer Mar. 2018 Managing Director & Senior Executive Operating Officer, Executive Division Manager of Tanomail Business Division, General Manager of Tanomail Information Department, General Manager of Tanomail Marketing Department, in charge of Marketing Automation Center, Customer Personalized Pages Promotion Center, and Logistics Promotion Department (current position) [Significant concurrent positions outside the Company] Representative Director and President of LION OFFICE PRODUCTS CORP.	95,900 shares
		[Reasons for nomination as candidate for Director] The Company nominated Toshiyasu Takahashi for another term as a candidate for Director because he has led office supply sales business for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.	

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
4	Hironobu Saito (July 17, 1949)	Aug. 1968 Joined the Company Jul. 2003 Managing Officer Mar. 2005 Senior Managing Officer Mar. 2007 Director & Senior Managing Officer Mar. 2011 Managing Director & Operating Officer Mar. 2018 Managing Director & Senior Operating Officer, in charge of Project Promotion Office, Audit Office, Marketing Automation Center and Customer Personalized Pages Promotion Center (current position)	185,700 shares
		<p>[Reasons for nomination as candidate for Director]</p> <p>The Company nominated Hironobu Saito for another term as a candidate for Director because he has been in charge of corporate planning and Audit Office for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.</p>	
5	Hironobu Tsurumi (July 23, 1955)	Mar. 1979 Joined the Company Jul. 2004 Managing Officer Mar. 2006 Senior Managing Officer Mar. 2010 Director & Senior Managing Officer Mar. 2013 Managing Director & Operating Officer Mar. 2018 Managing Director & Senior Operating Officer, Executive Department Head of CAD Department, and General Manager of CAD Promotion Department (current position)	34,900 shares
		<p>[Significant concurrent positions outside the Company]</p> <p>Chairman of Otsuka Information Technology Corp.</p> <p>[Reasons for nomination as candidate for Director]</p> <p>The Company nominated Hironobu Tsurumi for another term as a candidate for Director because he has been in charge of CAD division, which handles products related to CAD based design support tools, for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.</p>	
6	Katsuhiro Yano (June 18, 1955)	Mar. 1979 Joined the Company Mar. 2002 Director Jul. 2003 Director & Senior Managing Officer Mar. 2010 Director & Executive Managing Officer Mar. 2011 Managing Director & Operating Officer Jul. 2018 Managing Director & Operating Officer, in charge of Complex Solutions Promotion, Executive Department Head of Regional Department, General Manager of Complex Solutions Promotion Office, General Manager of POD Promotion Department, in charge of Area Promotion Department, and General Manager of Telecommunication Network Promotion Department (current position)	41,900 shares
		<p>[Reasons for nomination as candidate for Director]</p> <p>The Company nominated Katsuhiro Yano for another term as a candidate for Director because he has been in charge of the entire regional sales including copiers for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.</p>	

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held	
7	Minoru Sakurai (March 27, 1957)	Mar. 1979	Joined the Company	19,700 shares
		Mar. 2005	Managing Officer	
Mar. 2010	Senior Managing Officer			
Mar. 2011	Director & Senior Managing Officer			
Mar. 2013	Managing Director & Operating Officer			
Mar. 2018	Managing Director & Operating Officer, General Manager of Technology Headquarters, Executive Department Head of AP Solution Department, and Executive Department Head of TC Solution Department (current position)			
[Reasons for nomination as candidate for Director] The Company nominated Minoru Sakurai for another term as a candidate for Director because he has been in charge of technology division and support division for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.				
8	Norihiko Moriya (November 24, 1953)	Jun. 1984	Joined the Company	9,700 shares
		Mar. 2009	Managing Officer	
Mar. 2011	Senior Managing Officer			
Mar. 2012	Executive Managing Officer			
Mar. 2013	Director & Senior Managing Officer			
Mar. 2017	Managing Director & Operating Officer, General Manager of Business Administration Headquarters, General Manager of Human Resources Department, and in charge of Hotel Division (current position)			
[Reasons for nomination as candidate for Director] The Company nominated Norihiko Moriya for another term as a candidate for Director because he has been in charge of human resources division and the entire business administration division for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.				
9	Mitsuya Hirose (October 18, 1955)	Mar. 1979	Joined the Company	33,100 shares
		Jul. 2003	Managing Officer	
Mar. 2006	Senior Managing Officer			
Mar. 2011	Director & Senior Managing Officer			
Mar. 2018	Director & Senior Managing Officer, Executive Department Head of Industry SI Department, and General Manager of Industry SI Promotion Department (current position)			
[Reasons for nomination as candidate for Director] The Company nominated Mitsuya Hirose for another term as a candidate for Director because he has been in charge of computer sales division for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.				
10	Yasuhiro Wakamatsu (October 8, 1949)	Apr. 1985	Joined the Company	33,000 shares
		Jul. 2003	Managing Officer	
Mar. 2007	Senior Managing Officer			
Mar. 2008	Director & Senior Managing Officer			
Mar. 2011	Managing Director & Operating Officer			
Mar. 2017	Director (current position)			
[Reasons for nomination as candidate for Director] The Company nominated Yasuhiro Wakamatsu for another term as a candidate for Director because he has been in charge of accounting division and the entire business administration division for many years, served as a director and an executive officer, and has abundant experience and knowledge regarding the Company's overall management.				

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
11	Jiro Makino (May 14, 1953)	Apr. 1983 Registered as an attorney at law Aug. 1990 Established MAKINO legal professional office (currently MAKINO legal professional corporation) Director (current position) Mar. 2004 Outside Audit & Supervisory Board Member of the Company Mar. 2015 Outside Director (current position) [Significant concurrent positions outside the Company] Director of MAKINO legal professional corporation	– shares
		[Reasons for nomination as candidate for outside Director] The Company nominated Jiro Makino for another term as a candidate for outside Director because, although he has not been engaged in corporate management in the past, except through his activities as an outside officer, he has knowledge and experience as an attorney at law and has been engaged for many years in practical business pertaining to corporate law, which leads the Company to deem that he can suitably fulfill his duties as an outside Director.	
12	Tetsuo Saito (March 25, 1954)	Apr. 1977 Joined Tokyo Stock Exchange (currently Japan Exchange Group, Inc.) May 1997 Representative Director of Work Two Co., Ltd. (current position) May 2009 Outside Audit and Supervisory Board Member of Diamond Dining Co., Ltd. (currently DD Holdings Co., Ltd.) (current position) Jun. 2012 Outside Audit and Supervisory Board Member of DM Solutions Co., Ltd. (current position) Dec. 2015 Outside Director of Career Design Center Co., Ltd. (current position) Mar. 2016 Outside Director of the Company (current position) [Significant concurrent positions outside the Company] Representative Director of Work Two Co., Ltd. Outside Audit and Supervisory Board Member of DD Holdings Co., Ltd. Outside Audit and Supervisory Board Member of DM Solutions Co., Ltd. Outside Director of Career Design Center Co., Ltd.	– shares
		[Reasons for nomination as candidate for outside Director] The Company nominated Tetsuo Saito for another term as a candidate for outside Director because he has long-standing experience of having numerous engagements in corporate management pertaining to numerous industry sectors, which leads the Company to deem that he can suitably fulfill his duties as an outside Director.	

- (Notes) 1. LION OFFICE PRODUCTS CORP., at which Toshiyasu Takahashi serves as Representative Director and President, and Otsuka Information Technology Corp., at which Hironobu Tsurumi serves as Chairman, are affiliates of the Company accounted for under the equity method.
There is no special interest between the other candidates and the Company.
- The Company has entered into agreements with Jiro Makino and Tetsuo Saito to limit their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. According to these agreements, the limit of liability for damages shall be the amount stipulated by laws and regulations, and if they are elected as per the original proposal, the Company plans to continue these agreements with them.
 - Jiro Makino and Tetsuo Saito are candidates for outside Director.
 - Jiro Makino and Tetsuo Saito are currently outside Directors of the Company. At the conclusion of this Meeting, their tenure as outside Director will have been four years and three years respectively.
 - The Company has submitted notification as to Jiro Makino's and Tetsuo Saito's statuses as independent officers as defined by the Tokyo Stock Exchange, and if they are elected as per the original proposal, the Company plans to once again submit notification as to their statuses as independent officers.

Proposal 3: Election of One Audit & Supervisory Board Member

At the conclusion of this Meeting, the term of office of Audit & Supervisory Board Member Naoto Minai will expire. Therefore, the Company proposes the election of one Audit & Supervisory Board Member.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
Naoto Minai (December 4, 1952)	Mar. 1976 Joined the Company Jan. 2013 General Manager of Audit Office Mar. 2016 Standing Audit & Supervisory Board Member (current position)	3,200 shares
[Reasons for nomination as candidate for Audit & Supervisory Board Member] The Company nominated Naoto Minai for another term as a candidate for Audit & Supervisory Board Member because he is proficient in auditing work as an Audit & Supervisory Board Member, and as well possesses abundant experience and knowledge regarding the Company's overall operation and internal audit, which lead the Company to deem that he can suitably fulfill his duties as an Audit & Supervisory Board Member.		

- (Notes) 1. There is no special interest between Naoto Minai and the Company.
2. The Company has entered into an agreement with Naoto Minai to limit his liability for damages set forth in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. According to these agreements, the limit of liability for damages shall be the amount stipulated by laws and regulations, and if he is elected as per the original proposal, the Company plans to continue the agreement with him.

Proposal 4: Payment of Retirement Benefits to Retiring Directors

At the conclusion of this Meeting, Directors Takuo Fujino and Osamu Tanaka will retire due to the expiration of their terms of office. To compensate them for their efforts while in office, the Company wishes to pay retirement benefits within the range of the suitable amount prescribed by criteria established by the Company and requests that the actual amount, timing of payment, method of payment, etc. be entrusted to the discretion of the Board of Directors.

The career summary of the retiring Directors is as follows:

Name	Career summary
Takuo Fujino	Mar. 2018 Managing Director & Operating Officer (current position)
Osamu Tanaka	Mar. 2013 Director & Senior Managing Officer (current position)