

Note: This document has been translated from a part of 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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Stock Exchange Code 4530  
May 1, 2017

**To Shareholders with Voting Rights:**

Hiroataka Nakatomi  
Chairman & CEO  
Hisamitsu Pharmaceutical Co., Inc.  
408 Tashiro Daikan-machi, Tosu, Saga

**NOTICE OF CONVOCATION OF  
THE 115TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

You are cordially invited to attend the 115th Annual General Meeting of Shareholders of Hisamitsu Pharmaceutical Co., Inc. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing. In this case, please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:00 p.m. on Wednesday, May 24, 2017, Japan time.

1. Date and Time: Thursday, May 25, 2017 at 10:00 a.m. Japan time

2. Place: Head office of the Company located at  
408 Tashiro Daikan-machi, Tosu, Saga, Japan

3. Meeting Agenda:

- Matters to be reported:
1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 115th Fiscal Year (March 1, 2016 - February 28, 2017)
  2. Results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements for the Company’s 115th Fiscal Year

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of 12 Directors

(The details of the meeting agenda and other matters are stated in the following pages.)

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. In addition, you are requested to bring this Notice of Convocation of the General Meeting of Shareholders with you in order to save resources.

Any revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements will be posted on the Company’s website (<http://www.hisamitsu.co.jp>).

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of Surplus

The Company regards the appropriate return of profits to shareholders as one of the most important management issues.

With respect to dividends of surplus at the end of the fiscal year under review, upon comprehensively examining factors such as the performance for the fiscal year, dividend payout ratios and various management measures for the future in addition to taking into account the stable distribution of dividends to shareholders, the Company proposes to pay a dividend of ¥41 per share as follows. Accordingly, the annual dividend including an interim dividend of ¥40.5 will be ¥81.5 per share, an increase from the annual dividend of ¥81 per share for the previous fiscal year.

In addition, the Company recognizes the need to strengthen its financial structure to provide for the stable return of profits to its shareholders and future business development, and therefore intends to allocate ¥10.0 billion to general reserve as follows.

#### 1. Matters concerning dividends of surplus

- (1) Allotment of dividend properties to shareholders and the total amount thereof  
¥41 per share of the Company's common stock      Total payment of dividends: ¥3,431,413,574
- (2) Effective date of dividends of surplus  
Friday, May 26, 2017

#### 2. Matters concerning appropriation of surplus

- (1) Surplus item to be increased surplus and the amount thereof  
General reserve      ¥10,000,000,000
- (2) Surplus item to be decreased and the amount thereof  
Retained earnings brought forward      ¥10,000,000,000

Proposal 2: Election of 12 Directors

The terms of office of all 12 Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 12 Directors is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
1	Hiroataka Nakatomi (February 6, 1937)	February 1966 Joined the Company April 1975 Director May 1979 Managing Director May 1981 President June 2006 President & CEO May 2015 Chairman & CEO (to present)	177,732	None
2	Kazuhide Nakatomi (June 30, 1972)	April 1999 Joined the Company February 2007 Chief Director of Corporate Strategy Planning May 2007 Director & Executive Officer May 2009 Managing Director & Executive Officer May 2011 Senior Managing Director & Executive Officer May 2014 Vice President & Executive Officer May 2015 President & COO (to present)	237,942	None
3	Kousuke Sugiyama (April 28, 1952)	April 1977 Joined the Company May 1999 Director February 2010 Director & Executive Officer July 2012 Managing Director & Executive Officer March 2017 Senior Managing Director & Executive Officer [Managing Director of Human Resources, BU, Tosu Factory Welfare, Reliability Assurance and Internal Control] (to present)	13,000	None

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
4	Tetsuo Akiyama (May 16, 1951)	April 1974 March 2003 May 2007 May 2009 March 2013 Joined the Company Executive Officer Senior Executive Officer Director & Executive Officer Managing Director & Executive Officer [Managing Director of Operation] (to present)	7,000	None
5	Naruhito Higo (January 15, 1963)	April 1985 March 2011 May 2012 May 2014 Joined the Company Executive Officer Director & Executive Officer Managing Director & Executive Officer [Chief Director of R&D, Board Chairman of Noven Pharmaceuticals, Inc. and President of Hisamitsu U.S., Inc.] (to present)	2,900	(Note 1)
6	Toshiaki Tsuruda (May 10, 1955)	April 1978 April 2007 May 2011 Joined the Company Executive Officer Director & Executive Officer [Chief Director of Production, Corporate Auditor of Maruto Sangyo Co., Ltd. (part-time) and Director of Yutoku Pharmaceutical Ind. Co., Ltd. (part-time)] (to present)	7,100	None
7	Shinichiro Takao (January 23, 1955)	April 1978 May 2007 May 2013 Joined the Company Executive Officer Director & Executive Officer [Chief Director of BU, Director of Finance, Manager of IR Office, Head of CSR and Director of Yutoku Pharmaceutical Ind. Co., Ltd. (part-time)] (to present)	3,000	None

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
8	Kyu Saito (June 10, 1963)	April 1987 April 2009 March 2017 Joined the Company Executive Officer Director & Executive Officer [Director of International Business, Vice Chairman of Noven Pharmaceuticals, Inc., Chairman of Hisamitsu America, Inc., President of Hisamitsu Pharmaceutical Technology Consulting (Beijing) Co., Ltd. and Director of P.T. Hisamitsu Pharma Indonesia] (to present)	2,800	None
9	Nobuo Tsutsumi (March 11, 1964)	April 1988 March 2010 May 2014 Joined the Company Executive Officer Director & Executive Officer [Director of Legal and Head of Compliance] (to present)	2,500	None
10	Shinichi Murayama (October 16, 1967)	March 1991 March 2012 May 2014 Joined the Company Executive Officer Director & Executive Officer [Manager of Chairman's Office and Outside Corporate Auditor of SANOFI-HISAMITSU K.K. (part-time)] (to present)	3,000	None

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
11	Isao Ichikawa (January 10, 1928)	<p>June 1986 Senior Managing Officer and Representative Director of The Mitsubishi Bank, Ltd.</p> <p>June 1989 Senior Executive Vice President and Representative Director of NIKON CORPORATION</p> <p>June 1993 Vice Chairman of the Board and Representative Director of NIKON CORPORATION</p> <p>October 2001 Financial Advisor to Keio University</p> <p>May 2004 Outside Corporate Auditor of the Company</p> <p>January 2008 Member of the Tokyo Metropolitan Public Interest Corporation Council (to present)</p> <p>May 2015 Outside Director of the Company (to present)</p>	2,000	None
12	Teijiro Furukawa (September 11, 1934)	<p>January 1960 Joined the Ministry of Health and Welfare</p> <p>June 1986 Principal Counsellor of Cabinet Secretariat</p> <p>June 1989 Director General of Children and Families Bureau, Ministry of Health and Welfare</p> <p>June 1993 Vice-Minister of Health and Welfare</p> <p>February 1995 Deputy Chief Cabinet Secretary</p> <p>September 2003 Resigned from the position of Deputy Chief Cabinet Secretary</p> <p>July 2005 Executive President of Imperial Gift Foundation Boshi-Aiiku-Kai</p> <p>April 2015 Executive Chairman of Imperial Gift Foundation Boshi-Aiiku-Kai (to present)</p> <p>May 2015 Outside Director of the Company (to present)</p>	0	None

(Notes)

- The Company is engaged in the following transactions with the company at which Mr. Naruhito Higo serves concurrently as a representative director.  
Noven Pharmaceuticals, Inc.: Research consignment
- Messrs. Isao Ichikawa and Teijiro Furukawa are candidates for Outside Directors.
- Reasons for nomination as candidates for Outside Directors  
The Company has nominated Mr. Isao Ichikawa as a candidate for Outside Director as he is expected to provide appropriate advice on the Company's management based on his experience and insight into overall management acquired as a representative director of a listed company, and since there are no issues in terms of his independence from the Company. At the conclusion of this General Meeting of Shareholders, he will have served for two years as an Outside Director of the Company.  
The Company has nominated Mr. Teijiro Furukawa as a candidate for Outside Director as he is expected to provide appropriate advice on the Company's management based on his experience of serving in key positions at the Ministry of Health and Welfare and his deep insight with regard to the Company's particular business, and since there are no issues in terms of his independence from the Company. At the conclusion of this General Meeting of Shareholders, he will have served for two years as an Outside Director of the Company.
- The Company has entered into agreements with Messrs. Isao Ichikawa and Teijiro Furukawa in accordance with Article 427, Paragraph 1 of the Companies Act, to limit the liability for damages set forth in Article 423, Paragraph 1 of the same act to the amount stipulated by laws and regulations. If this proposal is approved, the Company plans to continue the said agreements with them.