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Securities Code 7458
June 1, 2020

To Our Shareholders:

Tadahiro Hoshi
President
DAIICHIKOSHO CO., LTD.
5-5-26 Kitashinagawa, Shinagawa-ku, Tokyo

Notice of Convocation of the 45th Ordinary General Meeting of Shareholders

1. **Date and Time:** Friday, June 19, 2020 at 10:00 a.m. (Reception starts at 9:00 a.m.)

2. **Venue:** "Pegasus," 1st floor, Hilton Tokyo Odaiba
1-9-1 Daiba, Minato-ku, Tokyo

3. **Purpose of the Meeting:**
Proposals to be resolved:
Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of Two (2) Corporate Auditors

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company maintains a basic policy of making active return of profit that reflects consolidated business performance while taking into account internal reserves for future investment, etc.

The Company proposes to pay a year-end dividend for the current fiscal year as follows:

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and the aggregate amount

¥57 per common share of the Company (Annual dividend of ¥113 when including the interim dividend)

Aggregate amount of dividends will be ¥3,210,780,816.

(3) Effective date of dividends of surplus

June 22, 2020

Proposal No. 2: Election of Two (2) Corporate Auditors

At the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of Corporate Auditors Nobuaki Otsuka and Masumi Arichika will expire. Therefore, the Company proposes to elect two (2) Corporate Auditors.

The consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	[Reappointment] [Outside] [Independent] **Masumi Arichika** (September 21, 1958) [Attendance at the Board of Directors meetings] 17 out of 18 meetings (94%) [Attendance at the Board of Corporate Auditors meetings] 16 out of 16 meetings (100%)	Sept. 1987 President and Representative Director, Kaminofune Ltd. (current position) June 2001 Corporate Auditor, the Company (current position)	0
	[Reason for nomination as candidate for Outside Corporate Auditor] Mr. Masumi Arichika has considerable knowledge of legal affairs related to music and the music industry in general from his long-standing experience in supervising a management company for musical compositions and music copyrights. The Company judges he would appropriately carry out his duties as an Outside Corporate Auditor.		

(Notes)

1. There is no special interest between the candidate and the Company.
2. Masumi Arichika is a candidate for Outside Corporate Auditor.
3. Masumi Arichika is currently serving as Outside Corporate Auditor of the Company, and at the conclusion of this General Meeting of Shareholders, his tenure as Corporate Auditor will have been nineteen (19) years.
4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Masumi Arichika to limit his liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of liability for damages pursuant to the aforesaid agreement is the amount stipulated by laws and regulations. If the reelection of Masumi Arichika is approved, the Company plans to renew the respective agreements with him.
5. The Company has submitted notification to the Tokyo Stock Exchange that Masumi Arichika has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>[New election]

Hiroyoshi Shibano
(February 23, 1962)

[Attendance at the Board of Directors meetings]
–
[Attendance at the Board of Corporate Auditors meetings]
–</td><td>Jan. 1982
Jul. 1982

Oct. 1983

Apr. 1991

Apr. 1998

Mar. 2012

Apr. 2012

June 2017

Jul. 2017</td><td>Joined Tokai Daiichikosho Co., Ltd.
Joined Himeji Daiichikosho Co., Ltd. (currently Hyogo Daiichikosho Co., Ltd.)
Joined Harima Daiichikosho Co., Ltd. (currently Hyogo Daiichikosho Co., Ltd.)
Director of Harima Daiichikosho Co., Ltd. (currently Hyogo Daiichikosho Co., Ltd.)
Representative Director & President of Harima Daiichikosho Co., Ltd. (currently Hyogo Daiichikosho Co., Ltd.)
Retired as Representative Director & President of Hyogo Daiichikosho Co., Ltd.
Representative Director & President of Keihan Daiichikosho Co., Ltd.
Retired as Representative Director & President of Keihan Daiichikosho Co., Ltd.
Advisor of the Company (current position)</td><td>19,100</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Corporate Auditor]
Mr. Hiroyoshi Shibano has long been involved in the sales and store operation departments of sales subsidiaries, particularly in overseeing the Kansai region. He also has extensive experience and knowledge in the management of subsidiaries. The Company judges he would appropriately carry out his duties as a Corporate Auditor.</td></tr>
</table>

(Notes)

1. There is no special interest between the candidate and the Company.
2. Harima Daiichikosho Co., Ltd., and Himeji Daiichikosho Co., Ltd., consolidated in April 2004 with the former as the surviving company. The new company was renamed Hyogo Daiichikosho Co., Ltd.

(Reference)

Policies and Procedures on the Appointment/Dismissal of Representative Director as well as on the Nomination of Candidates for Directors and Corporate Auditors

The Company has clarified the roles expected of Representative Director and Directors in the form of seven key roles expected of Directors (innovative spirit, flexibility for change, power to see the essence, power to envision, breaking free of the past, utilization of diversity, risk management) in the "Standards for Evaluating Directors' Performance."

In the appointment of Representative Director, abilities to envisage strategies based on the Group's corporate philosophy and strong capabilities to execute business are required as vital preconditions, apart from the aforementioned roles expected of Directors.

In the nomination of candidates for Directors, appropriate persons are selected in overall consideration of individual character and insights necessary for executing management/ supervisory functions, based on the aforementioned seven key roles expected of Directors.

In the nomination of candidates for Corporate Auditors, appropriate persons are selected based on their insight into corporate risks, abilities to honestly articulate opinions to the corporate manager, and capabilities to contribute to the enhancement of the soundness and transparency of management.

In the appointment of Representative Director as well as the nomination of candidates for Directors and Corporate Auditors, the Personnel Affairs Advisory Committee chaired by an Outside Director shall conduct prior deliberation and submit its opinion to the Board of Directors. The Board shall carefully review such opinions and make decisions.

Dismissal of Representative Director shall be decided by the Board of Directors whenever deviation from the standards that warranted the appointment is recognized. However, as a fail-safe system in the event of the Board of Directors falling into a state of dysfunction for whatever reason, the Personnel Affairs Advisory Committee chaired by an Outside Director shall provide the Board of Directors with advice or recommendations for dismissal.

Criteria for Assessing the Independence of Independent Officers of the Company

The Company sets forth the "Criteria for Assessing the Independence of Independent Officer of the Company," and designates individuals to whom none of the following criteria apply as Independent Officers.

(1) An executive of the Company or an affiliate of the Company or a person who has served as an executive of the Company or an affiliate of the Company in the past ten (10) years.
(2) A person who has the Group as its major business partner or its executive.
(3) A person who is the major business partner of the Daiichikosho Group or its executive.
(4) A person who is a major shareholder of the Company (directly or indirectly holding 10% or more of the voting rights) or its executive.
(5) A person in whom 10% or more of the voting rights is held directly or indirectly by the

Company or its executive.

(6) A person affiliated with an audit firm, which serves as the Accounting Auditor of the Group.

(7) An attorney, a certified public accountant, a tax accounting or a consultant, and the like, who receives considerable monetary compensation or other properties from the Group other than executive compensation.

(8) A director or other executive of legal entities or organization, including legal firms, audit firms, tax accountant firms or consulting firms, and the like, which receives considerable monetary compensation or other properties from the Group.

(9) A person, who receives considerable amounts of donations or subsidies from the Group, or a director or other executive of legal entities or organizations including legal firms, audit firms, tax accountant firms or consulting firms, and the like, which receives considerable amounts of donations or subsidies from the Group.

(10) An Executive Director, an Executive Officer, a Corporate Officer or an employee, including a Manager of a company, at which an Executive Director or a Standing Corporate Auditor of the Group concurrently serves as Outside Director or Outside Corporate Auditor

(11) Any person to whom items (2) through (10) applied in the past three (3) years; and

(12) In cases where a person to whom items (1) through (11) above applies is in an important position, the spouse or a relative within the second degree of kinship of such person.