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Securities Code: 4555

June 5, 2018

To Shareholders:

5-2-30 Miyahara, Yodogawa-ku, Osaka

Sawai Pharmaceutical Co., Ltd.

Mitsuo Sawai, President, Representative
Director

Notice of the 70th Annual General Meeting of Shareholders

The Company hereby requests that shareholders attend the Company's 70th Annual General Meeting of Shareholders (the "Annual Meeting") as described below.

If you are unable to attend the Annual Meeting, you may exercise your voting rights by mail or via the Internet. For this purpose, we kindly request you to exercise your voting rights no later than 5:20 p.m., on June 25, 2018(Monday; Japan time).

Sincerely yours,

1. **Date:** 10:00 a.m., June 26 (Tuesday), 2018(Japan time)
2. **Venue:** Les Lumieres, at Shin-Osaka Washington Hotel (2nd Floor)
5-5-15 Nishinakajima, Yodogawa-ku, Osaka
3. **Purposes:**
 1. **Items to be reported:**
 1. Business Report, Consolidated Financial Statements and results of audits by Accounting Auditor and Audit & Supervisory Board on the Consolidated Financial Statement for the 70th Fiscal Year (from April 1, 2017 to March 31, 2018)
 2. Non-Consolidated Financial Statements for the 70th Fiscal Year (from April 1, 2017 to March 31, 2018)
 2. **Items to be resolved:**
 - Agenda No. 1:** Appropriation of Surplus
 - Agenda No. 2:** Election of Eight (8) Directors
 - Agenda No. 3:** Election of One (1) Audit & Supervisory Board Member

1. The following notes are available on the Company's website (<https://www.sawai.co.jp>) in accordance with the provisions of laws and regulations and Article 15 of its Articles of Incorporation (they are not included in the attachments to this Notice):

(1) Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements in the Consolidated Financial Statements

(2) Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements in the Non-consolidated Financial Statements

The Consolidated Financial Statements and the Non-Consolidated Financial Statements contained in the attachments to this Notice are a part of the financial statements and documents that were subject to audit by Audit & Supervisory Board Members and Accounting Auditor for the purpose of preparing their Audit Reports.

2. In the case of any revision to the Reference Documents for the Annual Meeting, the Business Report, or the Consolidated or Non-Consolidated Financial Statements, such revisions will be listed on the Company's website. (URL: <https://www.sawai.co.jp>)

3. When you attend the meeting, we kindly request you to submit the enclosed voting form to the receptionist at the venue.

Reference Documents for the Annual General Meeting of Shareholders

Meeting Agenda and Notes:

Agenda No. 1: Appropriation of Surplus

Recognizing proactive return of profits to the shareholders to be a significant managerial issue and taking into account various factors, including its performance during the current period, strengthening its corporate structure, and future business development, the Company proposes the following Appropriation of Surplus for the 70th Fiscal Year:

1. Year-end dividend
 - (1) Allocation of dividend and total amount of dividend

Dividend per common share of the Company:	65 yen
The total amount of dividend:	2,845,116,040 yen
 - (2) Effective date on which dividend is to be disbursed:
June 27, 2018
2. Other allocation of surplus
 - (1) Item and amount of surplus to be decreased

Retained earnings brought forward:	2,000,000,000 yen
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 - (2) Item and amount of surplus to be increased

General reserve:	2,000,000,000 yen
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Agenda No. 2: Election of Eight (8) Directors

As the terms of office of all eight (8) Directors expire at the conclusion of the Annual Meeting, the Company proposes the election of eight (8) Directors, including two (2) External Directors.

The candidates for Director are as follows.

1 Hiroyuki Sawai

Re-elected

Date of birth	February 21, 1938	Number of the Company's shares owned	632,400 Shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1963 Joined the Company</p> <p>August 1968 Managing Director of the Company</p> <p>April 1978 Representative Senior Managing Director of the Company</p> <p>September 1988 President, Representative Director of the Company</p> <p>June 2008 Chairman, Representative Director of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Hiroyuki Sawai is well-versed in the generic drug business, based on his experience working on the dissemination of generic drugs and related educational activities for many years in Japan. The Company expects that his track record, abilities, and extensive experience will continue to be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Hiroyuki Sawai and the Company.		

2 Mitsuo Sawai

Re-elected

Date of birth	September 28, 1956	Number of the Company's shares owned	948,200 Shares
Brief profile, position, responsibility, and significant concurrent position	<p>January 1989 Joined the Company</p> <p>June 2000 Director</p> <p> Deputy Vice President, Sales Division</p> <p> General Manager, Sales Planning Department of the Company</p> <p>June 2002 Managing Director</p> <p> Vice President, Sales Division</p> <p> General Manager, Sales Planning Department of the Company</p> <p>June 2005 Senior Managing Director</p> <p> Vice President, Sales Division of the Company</p> <p>June 2008 President, Representative Director of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Mitsuo Sawai is well-versed in the generic drug business. The Company expects that his track record, abilities, and experience as a person driving the sustainable growth of the corporate value of the Sawai Group will continue to be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Mitsuo Sawai and the Company.		

3 Kenzo Sawai

Re-elected

Date of birth	May 26, 1968	Number of the Company's shares owned	854,000 shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1995 Joined Sumitomo Pharmaceuticals Co., Ltd. (currently Sumitomo Dainippon Pharma Co., Ltd.)</p> <p>April 2001 Joined the Company</p> <p>June 2010 Director General Manager, Corporate Strategy Department of the Company</p> <p>June 2013 Director Senior Executive Officer General Manager, Corporate Strategy Department Deputy Vice President, Sales Division of the Company</p> <p>June 2017 Chairman, Upsher-Smith Laboratories, LLC (incumbent)</p> <p>June 2017 Director Senior Managing Executive Officer General Manager, Corporate Strategy Department Supervisor, Sales Division of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Kenzo Sawai is well-versed in the generic drug business. The Company expects that his track record and abilities as a person with strategic planning and implementation abilities for supporting the Sawai Group's growth in the medium term will continue to be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Kenzo Sawai and the Company.		

4 Minoru Kodama

Re-elected

Date of birth	September 8, 1953	Number of the Company's shares owned	8,400 shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1976 Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>May 2006 Joined the Company</p> <p>June 2007 Director of Kaken Shoyaku Co., Ltd. (incumbent)</p> <p>June 2007 Director General Manager, Corporate Planning Department of the Company</p> <p>June 2008 Director of Medisa Shinyaku Inc. (incumbent)</p> <p>June 2012 Managing Director Vice President, Corporate Administration Division Deputy Vice President, Sales Division of the Company</p> <p>June 2013 Director Senior Executive Officer Vice President, Corporate Administration Division Deputy Vice President, Sales Division of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Minoru Kodama has a high level of expertise in finance and deep insights into corporate management based on his extensive experience at financial institutions. The Company expects that his expertise and insights will continue to be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Minoru Kodama and the Company.		

5 Kazuhiko Sueyoshi

Newly-elected

Date of birth	September 19, 1957	Number of the Company's shares owned	1,300 shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1980 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2012 Joined the Company General Manager, Controller Department of the Company</p> <p>June 2017 Executive Administration, Upsher-Smith Laboratories, LLC (incumbent)</p> <p>February 2018 Executive Officer Deputy Vice President, Corporate Administration Division General Manager, Controller Department of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Kazuhiko Sueyoshi has expertise in finance and accounting, and deep insights into corporate management based on his extensive experience at financial institutions and business experience in corporate management. The Company expects that his expertise and insights will be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Kazuhiko Sueyoshi and the Company.		

6 Toru Terashima

Re-elected

Date of birth	August 7, 1959	Number of the Company's shares owned	300 shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1984 Joined Sumitomo Chemical Company, Limited</p> <p>October 1984 Joined Sumitomo Pharmaceuticals Co., Ltd. (currently Sumitomo Dainippon Pharma Co., Ltd.)</p> <p>January 2016 Joined the Company</p> <p>June 2016 Corporate Officer Vice President, Reliability Assurance Division of the Company</p> <p>June 2017 Director Corporate Officer Vice President, Reliability Assurance Division of the Company (incumbent)</p>		
Reasons for nomination as a candidate for Director	Mr. Toru Terashima has extensive professional knowledge and business experience in the research, development, and production of, and regulatory affairs related to, pharmaceutical affairs, etc. The Company expects that his expertise and experience will be required for the Company's management. Therefore, the Company has proposed him as a candidate for Director.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Toru Terashima and the Company.		

7 Hidefumi Sugao

Candidate for
External Director

Candidate for
independent
executive

Re-elected

Date of birth	August 31, 1947	Number of the Company's shares owned	2,300 shares
Brief profile, position, responsibility, and significant concurrent position	<p>April 1979 Registered as an attorney</p> <p>June 1982 Established Sugao Law Office (incumbent)</p> <p>May 1994 External Director of Nishimatsuya Chain Co., Ltd. (incumbent)</p> <p>June 2007 Audit & Supervisory Board Member of the Company</p> <p>June 2012 Director of the Company (incumbent)</p>		
Reasons for nomination as a candidate for External Director	<p>Mr. Hidefumi Sugao has extensive professional knowledge and experience, etc. gained as an External Director of another listed company and External Audit & Supervisory Board Member of the Company, as well as his activities as an attorney. The Company expects him to continue providing beneficial advice from an independent perspective. Therefore, the Company has proposed him as a candidate for External Director.</p> <p>For the above reasons, the Company believes that he can perform his duties as External Director appropriately although he has not participated in corporate management before except as External Director or External Audit & Supervisory Board Member.</p>		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Hidefumi Sugao and the Company.		

Notes:

- Mr. Hidefumi Sugao is currently the Company's External Director, and the Company has entered into an Agreement with him limiting liability as provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations. If Mr. Hidefumi Sugao is re-elected, the Company intends to continue the Agreement for Limitation of Liability with him. The term of office of Mr. Hidefumi Sugao as External Audit & Supervisory Board Member of the Company was five years, and his tenure as External Director of the Company will be six years at the conclusion of the Annual Meeting.
- The Company has nominated Mr. Hidefumi Sugao as an independent executive in accordance with requirements of the Tokyo Stock Exchange, and has registered him with the Tokyo Stock Exchange.

8 Nawomi Todo

Candidate for
External Director

Candidate for
independent
executive

Re-elected

Date of birth	September 17, 1959	Number of the Company's shares owned	200 shares
Brief profile, position, responsibility, and significant concurrent position	<p>June 1984 Obtained medical license</p> <p>July 1984 Staff Doctor at Osaka University Hospital</p> <p>July 1987 Staff Doctor at Osaka Police Hospital, Association of Osaka Police Foundation</p> <p>July 1990 Staff Doctor at Nissay Hospital (currently Nippon Life Hospital)</p> <p>January 2002 Staff Doctor at Osaka-tetsusyou Health Insurance Society (incumbent)</p> <p>January 2007 Obtained Certified Occupational Physician Qualification of Japan Medical Association</p> <p>June 2015 Director of the Company (incumbent)</p>		
Reasons for nomination as a candidate for External Director	<p>Ms. Nawomi Todo has extensive professional knowledge and experience, etc. as a medical doctor. The Company expects her to continue providing beneficial advice from an independent perspective. Therefore, the Company has proposed her as a candidate for External Director.</p> <p>For the above reasons, the Company believes that she can perform her duties as External Director appropriately although she has not participated in corporate management before except as External Director or External Audit & Supervisory Board Member.</p>		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Ms. Nawomi Todo and the Company.		

Notes:

- Ms. Nawomi Todo is currently the Company's External Director, and the Company has entered into an Agreement with her limiting liability as provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations. If Ms. Nawomi Todo is re-elected, the Company intends to continue the Agreement for Limitation of Liability with her. The term of office of Ms. Nawomi Todo as External Director of the Company will be three years at the conclusion of the Annual Meeting.
- The Company has nominated Ms. Nawomi Todo as an independent executive in accordance with requirements of the Tokyo Stock Exchange, and has registered her with the Tokyo Stock Exchange.

Agenda No. 3: Election of One (1) Audit & Supervisory Board Member

As the term of office of the Audit & Supervisory Board Member Mr. Takekiyo Sawai resigns at the conclusion of the Annual Meeting, the Company proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has agreed to this agenda.

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

Tadao Tsubokura

Newly-elected

Date of birth	March 3, 1961	Number of the Company's shares owned	600 shares
Brief profile, position, and significant concurrent position	July 2008 April 2012	Joined the Company General Manager, Controller Department of the Company General Manager, General Affairs Department of the Company (incumbent)	
Reasons for nomination as a candidate for Audit & Supervisory Board Member	Mr. Tadao Tsubokura has extensive business experience as the person in charge of the Controller Department and General Affairs Department of the Company, and has expertise in finance and accounting as well as a wide range of knowledge in business. The Company believes that he can perform an appropriate auditing function. Therefore, the Company has proposed him as a candidate for Audit & Supervisory Board Member.		
Particular conflicts of interest between the candidate and the Company	There are no particular conflicts of interest between Mr. Tadao Tsubokura and the Company.		

Note: If Mr. Tadao Tsubokura is elected as Audit & Supervisory Board Member, the Company will enter into an Agreement for Limitation of Liability with him as provided for by Article 423, Paragraph 1 of the Companies Act.