

This is a translation of the original convocation in Japanese language for convenience purposes only, and in the event of any discrepancy, the Japanese language shall prevail.

Securities Code: 8060

March 4, 2019

TO OUR SHAREHOLDERS

Canon Marketing Japan Inc.

16-6, Konan 2-chome, Minato-ku, Tokyo

Masahiro Sakata

President & Representative Director and Executive President

NOTICE OF CONVOCAION OF THE 51ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 51st Ordinary General Meeting of Shareholders of Canon Marketing Japan Inc. (the“Company”) will be held as described below and that you are invited to attend the Meeting.

If you do not expect to attend the Meeting, you may exercise your voting rights in writing or by the Internet, etc. After reviewing the following Reference Documents for General Meeting of Shareholders, please exercise your voting rights by no later than 5:30 p.m. on March 26 (Tuesday), 2019 (Japan time).

1. **DATE AND TIME:** March 27 (Wednesday), 2019 at 10:00 a.m. (Japan time)
2. **PLACE:** Headquarters of the Company
CANON HALL S, 3rd floor of CANON S TOWER
16-6, Konan 2-chome, Minato-ku, Tokyo
3. **MATTERS CONSTITUTING THE PURPOSE OF THE MEETING**
Matters to be Reported:
 1. Reports on the contents of the Business Report and Consolidated Financial Statements for the 51st Fiscal Year (from January 1, 2018 to December 31, 2018), and reports on the Auditing Results of Accounting Auditor and Audit & Supervisory Board regarding the Consolidated Financial Statements.
 2. Reports on the content of the Non-Consolidated Financial Statements for the 51st Fiscal Year (from January 1, 2018 to December 31, 2018).**Matters to be Resolved upon:**
 - Item No. 1** Dividends from Surplus
 - Item No. 2** Election of Six Directors
 - Item No. 3** Payment of Bonuses to Directors
 - Item No. 4** Determination of Compensation of Directors under Performance-based Stock Compensation Plan

◎ Upon attending the Meeting, please present the enclosed Voting Form to the receptionist at the place of the Meeting.

◎ About the procedures for the exercise of voting rights in writing or by the Internet, etc, please see the following pages.

◎ The following items are posted on the Company’s website (canon.jp/8060-ir) in accordance with the related laws and regulations and Article 14 of the Company’s Articles of Incorporation and are therefore not included in the documents attached to this Notice:

- (1) **Systems for Ensuring Appropriateness of Business Operations and Outline of Implementation Activities to be described in the Business Report**
- (2) **Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements**

(3) Non-Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements

Items (1) through (3) above are part of the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, which Audit & Supervisory Board Members audited to prepare their audit reports, and item (2) above are part of Consolidated Financial Statements and item (3) above are part of Non-Consolidated Financial Statements, which Accounting Auditor audited to prepare its audit reports.

- ⊙ Any revisions to the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements will be posted on the company's website on the Internet (canon.jp/8060-ir).

■Guidance Notes on the Exercise of Voting Rights via the Postal Mail

Please indicate your for/against for each of the propositions on the enclosed Voting Form and return it by postal mail.

The Voting Form must reach us no later than 5:30 p.m. on March 26 (Tuesday), 2019 (Japan time)

■Guidance Notes on the Exercise of Voting Rights via the Internet

I . Exercise of voting rights via the Internet

1. Items Required to be Agreed on for the Exercise of Voting Rights via the Internet

- (1) You may exercise your voting rights via the Internet only through the website for exercising voting rights specified by the Company (<https://soukai.mizuho-tb.co.jp/>). When exercising your voting rights via the Internet, the code for the exercise of voting rights and the password described at the bottom right of the enclosed Voting Form are required.
- (2) The code for the exercise of voting rights and the password are only valid for this Meeting. At the time of the next meeting, new code and password will be issued.
- (3) If you exercise your voting rights both, in writing and via the Internet, regardless of the time of arrival, we will treat the exercise of your voting rights via the Internet as effective.
- (4) If you exercise your voting rights more than once via the Internet, we will treat the last exercise of your voting rights as effective.
- (5) The cost of Internet access (access fees to providers, telecommunications fees, etc.) shall be borne by the shareholders.
- (6) Please note that you may not be able to exercise your voting rights via the Internet depending on your Internet environment. In addition, please note that you cannot exercise your voting rights via the Internet by a mobile phone.

2. Specific Procedures to Exercise Your Voting Rights via the Internet

- (1) Access the website (<https://soukai.mizuho-tb.co.jp/>).
- (2) Enter the code for the exercise of voting rights and the password described on the enclosed Voting Form and click on the “Log-in” button.
- (3) Exercise your voting rights by following the directions on the screen no later than 5:30 p.m. on March 26 (Tuesday), 2019 (Japan time).

3. Security

You may exercise your voting rights safely due to the encryption technology(SHA-2) used to protect your voting information from being leaked or tampered with.

The code for the exercise of voting rights and the password described on the voting form are very important to authenticate shareholders, so please ensure that you do not disclose them to others. Please note that the Company does not make any inquiries regarding your password.

4. Contact Information for Inquiries

For inquiries with respect to the operation of personal computer to exercise of the voting rights via the Internet.

Please contact:

Internet Help Dial: Stock Transfer Agency Department Mizuho Trust & Banking Co., Ltd.

Telephone: 0120-768-524 (toll-free)

Operating Hours: 9:00 a.m. to 9:00 p.m.

(excluding Saturdays, Sundays and national holidays)

II. Platform for Electronic Exercise of Voting Rights

The electronic voting platform for institutional investors operated by Investor Communications Japan Inc. is available for nominee shareholders such as trust & custody services banks, etc. (including standing proxies) that have applied to use such platform in advance.

REFERENCE DOCUMENTS FOR GENERAL MEETING OF SHAREHOLDERS

Item No. 1: Dividends from Surplus

We have comprehensively considered the business results, etc. for this Fiscal Year, and propose a year-end dividends as described below.

Thus, the full-year dividends will be 60.00 yen per share, which includes interim dividends of 25.00 yen per share.

Although it is provided in the Articles of Incorporation that the dividends from surplus, etc. may be decided by a resolution of the board of directors, we have made it a matter to be resolved at this Meeting to have an opportunity to hear the shareholders' views directly.

- (1) Type of dividend: Cash
- (2) Matters concerning distribution of dividend and its total amount:
35.00 yen per common share of the Company
Total amount of dividend 4,538,349,620 yen
- (3) Effective date of the dividend from surplus: March 28, 2019

Item No. 2: Election of Six Directors

The term of offices of all of the seven Directors will expire at the end of this Meeting. Accordingly, we would like to elect six Directors.

The candidates for the position of the Directors are as follows:

Candidate No.	Name	Present Position and Areas of Responsibility at the Company	
1	M a s a h i r o S a k a t a	President & Representative Director and Executive President	Reappointment
2	Y o s h i y u k i M a t s u s a k a	Director & Senior Vice President Director in charge of Group Planning, Group Communications, and Director of Consumer Business Unit	Reappointment
3	M a s a c h i k a A d a c h i	Director & Senior Vice President Director in charge of Group ITS, IT Platform Functional Unit Director of Enterprise Business Unit President & Representative Director of Canon IT Solutions Inc.	Reappointment
4	S h i r o H a m a d a	Director & Vice President Director in charge of Group Accounting and Group Auditing	Reappointment
5	A k i o D o b a s h i	Outside Director	Reappointment Outside Independent
6	Y o s h i o O s a w a	Outside Director	Reappointment Outside Independent

Candidate No.	Name (Date of birth) (Number of the Company's shares held)	Brief personal record, position, business in charge and important concurrent posts
1	Masahiro Sakata (Apr. 11, 1953) (30,609 shares)	<p>As of Apr. 1977: Entered the Company Mar. 2006: Director Mar. 2009: Managing Director Mar. 2011: Director & Senior Vice President Mar. 2013: Director & Senior Vice President Apr. 2013: Company President of Business Solution Company Mar. 2015: President & Representative Director and Executive President (present)</p> <p><Reason for Nomination as Director> Mr. Sakata led the business divisions for many years. He has managed the Company as the President & Representative Director, and has considerable experience, knowledge of management for the Company and excellent expertise. Thus, he has again been selected as a candidate for a Director.</p>
2	Yoshiyuki Matsusaka (Nov. 12, 1956) (16,824 shares)	<p>As of Apr. 1979: Entered the Company Mar. 2013: Vice President Mar. 2015: Director & Senior Vice President Apr. 2015: Director in charge of Communications Headquarters Jul. 2016: Director in charge of Corporate Planning Headquarters Jan. 2018: Director in charge of Group Planning and Corporate Planning Headquarters (present) Feb. 2018: Director in charge of Group Communications (present) Mar. 2018: Director & Senior Vice President (present) Apr. 2018: Director of Consumer Business Unit (present)</p> <p><Reason for Nomination as Director> Mr. Matsusaka led Corporate Planning field and Public Relations field for many years. He has held the posts of Director and Executive Officer, and has considerable experience and knowledge of management for the Company. Thus, he has again been selected as a candidate for a Director.</p>
3	Masachika Adachi (Mar. 30, 1960) (10,341 shares)	<p>As of Apr. 1982: Entered the Company Jul. 2009: Group Executive of MA Business Sales Headquarters, Business Solutions Company Mar. 2013: Vice President Mar. 2015: Director & Senior Vice President (present) Apr. 2015: Company President of Business Solutions Company Jan. 2018: Director of Enterprise Business Unit (present) Mar. 2018: Director in charge of Group ITS, IT Platform Functional Unit (present) President & Representative Director of Canon IT Solutions Inc. (present)</p> <p><Reason for Nomination as Director> Mr. Adachi led the business divisions for many years. He has held the posts of Director and Executive Officer, and has considerable experience and knowledge of management for the Company. Thus, he has again been selected as a candidate for a Director.</p>
4	Shiro Hamada (Aug. 31, 1961) (9,248 shares)	<p>As of Apr. 1984: Entered the Company Apr. 2011: Deputy Chief Executive of Administrative Headquarters of Canon IT Solutions Inc. Jul. 2013: Group Executive of Accounting Headquarters (present) Apr. 2015: Executive Officer Mar. 2016: Director & Vice President (present) Jan. 2018: Director in charge of Group Accounting and Group Auditing (present)</p> <p><Reason for Nomination as Director> Mr. Hamada led the Finance and Accounting field for many years. He has held the posts of Director and Executive Officer, and has considerable experience and knowledge of management for the Company. Thus, he has again been selected as a candidate for a Director.</p>

5	<p>A k i o D o b a s h i (Jan. 2, 1949)</p> <p>[Outside] [Independent]</p> <p>(0 shares)</p>	<p>As of Apr. 1972: Entered Nichimen Company, Limited (presently Sojitz Corporation) Apr. 2004: Representative Director, President & CEO of Sojitz Corporation Jun. 2005: Representative Director, President & CEO of Sojitz Holdings Corporation Oct. 2005: The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation and Sojitz Corporation Representative Director, President & CEO of Sojitz Corporation Apr. 2007: Representative Director and Chairman of Sojitz Corporation Apr. 2012: Director of Sojitz Corporation Jun. 2012: Senior Corporate Advisor of Sojitz Corporation Jun. 2014: Corporate Advisor of Sojitz Corporation Jun. 2015: Outside Director of OSJB Holdings Corporation Mar. 2016: Outside Director of the Company (present) Jun. 2017: Outside Director of Maeda Corporation (present) <Important concurrent post> Outside Director of Maeda Corporation</p> <p><Reason for Nomination as Outside Director> Mr. Dobashi has actively performed as a top executive at a general trading company for many years. He has considerable experience and excellent expertise in company management. We assessed that he could accomplish the duties as the Outside Director appropriately from such experience and excellent expertise. Thus, he has again been selected as a candidate for an Outside Director. His term as an Outside Director will be three years as of the close of this Meeting.</p>
6	<p>Y o s h i o O s a w a (Jan. 22, 1952)</p> <p>[Outside] [Independent]</p> <p>(0 shares)</p>	<p>As of Apr. 1975: Entered Sumitomo Corporation Jun. 2003: Concurrent post as director of Sumitomo Computer Service Corporation (presently SCSK Corporation) Apr. 2005: Executive Officer of Sumitomo Corporation Apr. 2008: Managing Executive Officer of Sumitomo Corporation Jun. 2008: Representative Director and Managing Executive Officer of Sumitomo Corporation Apr. 2011: Representative Director and Senior Managing Executive Officer of Sumitomo Corporation Apr. 2013: Representative Director, Assistant to President and CEO of Sumitomo Corporation, Adviser of SCSK Corporation Jun. 2013: Representative Director, President & COO of SCSK Corporation Apr. 2015: President and Representative Director of SCSK Corporation Apr. 2016: Chairman of the Board of the Directors of SCSK Corporation Apr. 2017: Outside Director of SCSK Corporation Mar. 2018: Outside Director of the Company (present)</p> <p><Reason for Nomination as Outside Director> Mr. Osawa has actively performed as a top executive at a general trading company and an IT service company for many years. He has considerable experience and excellent expertise in company management. We assessed that he could accomplish the duties as the Outside Director appropriately given that experience and expertise. Thus, he has again been selected as a candidate for Outside Director. His term as an Outside Director will be one year as of the close of this Meeting.</p>

Notes:

1. None of the candidates for the Directors have any special interest in the Company.
2. Should Mr. Akio Dobashi and Mr. Yoshio Osawa be elected, the Company will make both of them independent directors under the regulation of the Tokyo Stock Exchange, Inc.
3. Mr. Akio Dobashi previously worked for Sojitz Corporation, which is a client of the Company. While there are transactions between Sojitz Corporation and the Company, such as the maintenance of business equipment, the annual amount of the transactions is less than 1% of the consolidated net sales of Sojitz Corporation and the Company. Therefore, he meets the Company's Independence Standards for Independent Directors/Audit & Supervisory Board Members (Please see page 11).
4. Mr. Yoshio Osawa previously worked for Sumitomo Corporation and SCSK Corporation, which are clients of the Company. While there are transactions between Sumitomo Corporation and the Company, such as sales of business equipment, the annual amount of the transactions is less than 1% of consolidated net sales of Sumitomo Corporation and the Company. In addition, while there are transactions between SCSK Corporation and the Company, such as sales of IT equipment and business equipment, the annual amount of the transactions is less than 1% of the consolidated net sales of SCSK Corporation and the Company. Therefore, he meets the Company's Independence Standards for Independent Directors/Audit & Supervisory Board Members (Please see page 11).

5. The Company has entered into a contract with Mr. Akio Dobashi and Mr. Yoshio Osawa limiting the amount of their damages compensation liability defined in Paragraph 1, Article 423 of the Companies Act of Japan to the limit prescribed by laws and regulations. Should they be elected, the Company will continue the aforementioned contract with them.

Item No. 3: Payment of Bonuses to Directors

It is proposed that bonuses will be paid to the five Directors excluding the Outside Director as of the end of this fiscal year, in appreciation of their services during this fiscal year, which totals ¥40,050,000 considering the results for this fiscal year, etc.

Item No. 4: Determination of Compensation of Directors under Performance-based Stock Compensation Plan

We have decided to introduce a performance-based stock compensation plan (hereinafter the “Plan”) to provide an incentive to Executive Officers who are Vice Presidents or higher (including persons serving concurrently as Directors; excluding Outside Directors) (hereinafter referred to collectively as “Eligible Officers”) to achieve the full-year consolidated income plan. Details are as follows. Accordingly, we would like you to grant approval for the limit on compensation of Directors under the Plan.

The current limit on compensation of Directors of the Company was set and approved in the 39th Ordinary General Meeting of Shareholders held on March 28, 2007 at “not more than 800 million yen per year” and the Plan will grant performance-based stock compensation to Directors who are Eligible Officers within this limit.

We currently have seven Directors (including two Outside Directors) and, if approval for Item No. 2 is obtained, we will have six Directors (including two Outside Directors).

1. Outline of the Plan

<Outline of the Plan>

Under the Plan, the Company will deliver shares of its common stock as officer compensation to Eligible Officers of the Company according to the degree of achievement of the full-year consolidated income plan (hereinafter the “Corporate Performance Indicator”) during the time that the Eligible Officers are in office (hereinafter the “Eligible Period”).

Eligible Officers will only receive delivery of shares of common stock of the Company after they have retired from office.

<Structure of the Plan>

- (1) The Company’s Board of Directors will establish stock compensation rules setting out details of the Plan such as the method used to calculate shares of common stock of the Company to be delivered to Eligible Officers.
- (2) For every fiscal year that comes to an end within the Eligible Period, the Company will, at a prescribed time, determine the amount of compensation to be awarded to each Eligible Officer according to the degree of achievement of the Corporate Performance Indicator and calculate the cumulative total of such amounts.
- (3) When Eligible Officers retire from office, the Company will deliver to them a number of shares of its common stock calculated according to the cumulative total of the compensation amounts.
- (4) The Company will make delivery of shares of its common stock to Eligible Officers either through the issuance of new shares or the disposal of treasury shares. The Company will grant monetary compensation receivables to Eligible Officers and, the Eligible Officers will make in-kind contributions of the monetary compensation receivables in return for the Company’s common stock at the time of such issuance of new shares or disposal of treasury shares.

2. Details of the Plan, including Calculation Method

Under the Plan, the monetary compensation receivables (hereinafter the “Individual Monetary Compensation Receivable Amount”) granted for the delivery of shares of the Company’s common stock to each Eligible Officer will be determined as follows.

<Monetary compensation receivables granted for the delivery of shares of the Company’s common stock to each Eligible Officer>

Sum total of standard stock compensation amounts specified for each position adjusted for each Eligible Officer according to the degree of achievement of the Corporate Performance Indicator in each fiscal year that ended within the Eligible Period = Individual Monetary Compensation Receivable Amount

Since, the Plan requires the Company to make delivery of shares of its common stock according to the degree of achievement of the Corporate Performance Indicator, at the time of introduction of the Plan, it is not yet certain whether the Company will deliver shares of its common stock or the number of shares to be delivered, if any.

<Method used to calculate the number of shares of the Company’s common stock to be delivered to each Eligible Officer>

The method used to calculate the number of shares of the Company’s common stock to be delivered to each Eligible Officer (hereinafter the “Individual Number of Shares to Be Delivered”) will be as follows.

【Method used to calculate Individual Number of Shares to Be Delivered】

For every fiscal year that comes to an end within the Eligible Period, the Company will, at a prescribed time, determine the amount of compensation to be awarded to each Eligible Officer according to the degree of achievement of the Corporate Performance Indicator and calculate the cumulative total of such amounts. When Eligible Officers retire from office, the Company will deliver to them a number of shares of its common stock calculated according to the cumulative total of the compensation amounts. (Please refer to “Equation” below. Any fraction of less than one share will be discarded.)

In the case of changes in rank due to promotion, etc. partway through a fiscal year, the compensation amount for the fiscal year in question will be adjusted in accordance with the stock compensation rules. Furthermore, if the total amount of compensation, etc. of Directors exceeds the limit on compensation for Directors approved at the General Meeting of Shareholders by granting the monetary receivables for compensation amounts calculated in accordance with the foregoing, the Individual Number of Shares to Be Delivered to each Eligible Officer will be reduced by a reasonable method determined by the Company’s Board of Directors (unless the Company has received approval for a revision of the compensation limit at another General Meeting of Shareholders).

【Equation】

Individual Monetary Compensation Receivable Amount / Amount to be paid in per share on the issuance of new shares or the disposal of treasury shares* = Individual Number of Shares to Be Delivered

* Amount to be paid in per share will be determined by the Board of Directors, provided, however, that such amount must not be particularly advantageous to the Eligible Officers.

3. Conditions for Delivery of Shares of the Company’s Common Stock under the Plan

Upon retiring from office, Eligible Officers will be able to receive delivery of shares of the Company’s common stock after completing the procedures prescribed in the stock compensation rules provided

that they satisfy the following conditions for delivery of shares of the Company's common stock:

- (1) Recipient has served as an Eligible Officer of the Company during an Eligible Period since the start date of the Plan (includes an individual who newly became an Eligible Officer on or after the start date of the Plan).
- (2) Recipient has retired from office as an Eligible Officer of the Company.
- (3) The Individual Number of Shares to Be Delivered has been determined.
- (4) Recipient is not an individual deemed by the Company's Board of Directors as having committed (i) a material breach of the Eligible Officer's contract with the Company or (ii) illegal activity, or an individual who retired from office at his or her own convenience against the Company's wishes.
- (5) Recipient has satisfied any other conditions deemed necessary by the Company to achieve the aim of the Plan.

(Reference) “Independence Standards for Independent Directors/Audit & Supervisory Board Members” of Canon Marketing Japan Inc.

Canon Marketing Japan Inc. hereby establishes the “Independence Standards for Independent Directors/Audit & Supervisory Board Members” resolved by the board of directors with the consent of all Audit & Supervisory Board Members, in order to clarify the standards for ensuring independence of Independent Directors/Audit & Supervisory Board Members of Canon Marketing Japan Inc., taking into consideration Japan’s Corporate Governance Code (Principle 4.9) and the independence criteria set by securities exchanges in Japan.

Independence Standards for
Independent Directors/Audit & Supervisory Board Members

Canon Marketing Japan Inc. deems that a person who satisfies the requirements for Outside Directors/Audit & Supervisory Board Members prescribed by the Companies Act of Japan, and meets the independence criteria set by securities exchanges in Japan, and does not fall into any of the items below, is an “Independent Director/Audit & Supervisory Board Member” (a person who is independent from the management of Canon Marketing Japan Inc. and unlikely to have conflicts of interest with general shareholders).

1. A person/organization for which Canon Marketing Japan Group (Canon Marketing Japan Inc. and its subsidiaries; hereinafter the same) is a major client, or a major client of Canon Marketing Japan Group, or an executing person of such organization or client
2. A large shareholder of Canon Marketing Japan Inc., or an executing person of such shareholder
3. A person/organization receiving large amounts of contributions from Canon Marketing Japan Group, or an executing person of such organization
4. A consultant, accounting professional or legal professional who has received a large amount of money or other properties from Canon Marketing Japan Group, other than as compensation for being a Director/Audit & Supervisory Board Member (if the recipient is a corporation, partnership or any other organization, this item applies to any person belonging to said organization.)
5. A certified public accountant belonging to the audit firm engaged to conduct the statutory audit of Canon Marketing Japan Group (including any such accountant to whom this item has applied in the last 3 fiscal years)
6. An executing person of another company in cases where an executing person of Canon Marketing Japan Inc. is an outside director/Audit and Supervisory Board Member of such other company
7. An immediate family member (spouse and a relative within the second degree of kinship) of any of the persons listed in each of items 1 to 6; provided, however that the persons to whom this is applicable shall be limited to key executing persons such as directors, executive officers of companies and partners of advisory firms

(Notes)

- * In item 1, “major” means in cases where the total amount (for any fiscal year during the last 3 fiscal years) of transactions between Canon Marketing Japan Group and such client exceeds 1% of the consolidated sales of Canon Marketing Japan Group or such client.
- * In item 2, “a large shareholder” means a shareholder who directly or indirectly holds 5% or more of the total voting rights of Canon Marketing Japan Inc.
- * In item 3, “a large amount” means in cases where the total amount of contributions exceeds ¥ 12 million (in cases where the recipient is an individual) or 1% of the annual gross income of such recipient (in cases where the recipient is an organization), for any fiscal year during the last 3 fiscal years of Canon Marketing Japan Inc.
- * In items 1 to 3 and 6, an “executing person” means an executive director, executive officer and employee including manager (in items 1 to 3, including a person to whom this item has applied in any fiscal year during the last 3 fiscal years).
- * In item 4, “a large amount” means in cases where the total amount of money or other properties received by said consultant, etc., exceeds ¥ 12 million (in cases where the recipient is a person) or 1% of the annual gross sales of such consultant, etc. (in cases where the recipient is an organization).