

(Note) This document has been translated from 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.

Stock code: 6914
March 6, 2019

To our shareholders,

Isamu Oguni, President and COO
OPTEX GROUP Company, Limited
4-7-5, Nionohama, Otsu-shi, Shiga
(Head office: 5-8-12, Ogoto, Otsu-shi, Shiga)

Notice of the 40th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 40th Ordinary General Meeting of Shareholders of OPTEX GROUP Company, Limited (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please examine the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Wednesday, March 27, 2019 (JST).

- 1. Date and Time:** Thursday, March 28, 2019, at 10:00 a.m.
- 2. Place:** Genji Ballroom (3rd floor), Hotel Granvia Kyoto
Shiokoji-sagaru, Karasuma-dori, Shimogyo-ku, Kyoto-shi
(Located in the JR Kyoto Station Building)

* In consideration of the fairness to shareholders who attend this General Meeting of Shareholders and those who cannot attend the meeting, we have decided to give up the distribution of gifts to the shareholders who attend the meeting, from this year.
We appreciate your understanding.

3. Purposes:

Matters to be reported:

1. Reports on the Business Report and the Consolidated Financial Statements for the 40th fiscal year (from January 1, 2018 to December 31, 2018), and the results of audit on the Consolidated Financial Statements by Financial Auditor and Audit and Supervisory Committee
2. Reports on the Non-consolidated Financial Statements for the 40th fiscal year (from January 1, 2018 to December 31, 2018)

Matters to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of One (1) Director Who Is an Audit and Supervisory Committee Member

- You are kindly requested to present the enclosed Voting Card to the receptionist when you attend the meeting in person. For the purpose of saving resources, please be sure to bring this notice with you.
- If any amendments are made to the Business Report, Consolidated Financial Statements or Non-Consolidated Financial Statements, or Reference Documents for the General Meeting of Shareholders, such amendments will be posted on the Company website (<https://www.optexgroup.co.jp>). The amendments in these documents will be available in Japanese only.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

Considering the return of profits to shareholders to be one of its most important management tasks, the Company pursues a basic policy of taking into account strengthening the financial foundation needed for future business development and striving to maintain stable dividend payouts based on corporate earnings.

Regarding the year-end dividend for the 40th fiscal year, in consideration of the business performance during the fiscal year under review, future business development and other factors, we propose to pay ¥15 per share as described below. Together with the interim dividend of ¥15 per share, the annual dividend will be ¥30 per share.

Year-end dividends

(1) Type of dividend property

Cash

(2) Allotment of dividend property and total amount thereof

Dividend per common stock of the Company: ¥15 Total amount: ¥551,912,295

(3) Effective date of the dividend of surplus

March 29, 2019

Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members, the same shall apply hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company requests the election of seven (7) Directors, which constitutes an increase of one (1) Director for the purpose of further enhancement of the management structure and corporate governance.

The Board of Directors selected candidates for Directors upon receiving a report from the Nomination Advisory Committee. Also, the Audit and Supervisory Committee has stated its opinion that all of the candidates for Directors are appropriate.

The candidates for Directors are as follows:

(Reference) Candidates for Directors

No.	Name	Current position and areas of responsibility in the Company	Attendance at meetings of Board of Directors during the 40th fiscal year
1	Toru Kobayashi Reelection (71 years old)	Chairman and CEO	13/13
2	Isamu Oguni Reelection (66 years old)	President and COO	13/13
3	Akira Higashi Reelection (57 years old)	Executive Director and CFO	13/13
4	Toru Kamimura Reelection (58 years old)	Director	13/13
5	Hiroyuki Onishi Reelection (53 years old)	Director	13/13
6	Tatsuya Nakajima Reelection (52 years old)	Director	10/10 (After assuming the position in March 2018)
7	Yasushi Sakemi New election Outside Independent (60 years old)	—	—

Note: The “Attendance at meetings of Board of Directors during the 40th fiscal year” excludes seven written resolutions.

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company (significant positions concurrently held at other organizations)	Number of the Company's shares held
1	<p>Reelection</p> <p>Toru Kobayashi (Jan. 10, 1948)</p> <p>Attendance at meetings of Board of Directors: 13/13</p>	<p>May 1979 Established OPTEX Company, Limited Assumed office as President and Representative Director, OPTEX Company, Limited</p> <p>Jan. 2002 President and CEO, OPTEX Company, Limited</p> <p>Jan. 2012 Chairman, President and CEO, OPTEX Company, Limited</p> <p>Jan. 2017 Chairman and CEO, OPTEX GROUP Company, Limited (current position)</p>	1,332,190 shares
	<p>Significant concurrent positions No items to report.</p> <p>Reason for election The Company requests the reelection of Toru Kobayashi as Director because he is the founder of the Company, has the foresight and knowledge of an engineer including the first commercialization in the world of automatic door sensors that utilize infrared, and has led the Group as the Representative Director since the founding of the Company. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Toru Kobayashi and the Company.</p>		
2	<p>Reelection</p> <p>Isamu Oguni (May 17, 1952)</p> <p>Attendance at meetings of Board of Directors: 13/13</p>	<p>Mar. 1981 Joined OPTEX Company, Limited</p> <p>Feb. 1988 Director, OPTEX Company, Limited</p> <p>Jan. 2002 President, OPTEX FA CO., LTD. with the establishment of OPTEX FA CO., LTD.</p> <p>Oct. 2016 Director, CCS Inc.</p> <p>Jan. 2017 President and COO, OPTEX GROUP Company, Limited (current position)</p>	114,092 shares
	<p>Significant concurrent positions No items to report.</p> <p>Reason for election The Company requests the reelection of Isamu Oguni as Director because he has abundant experience and a track record in corporate management such as serving as Director of the Company for over 15 years and President of OPTEX FA CO., LTD., which was a listed company up to 2016, for over 15 years. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Isamu Oguni and the Company.</p>		

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company (significant positions concurrently held at other organizations)	Number of the Company's shares held
3	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Akira Higashi (Jun. 10, 1961)</p> <p style="text-align: center;">Attendance at meetings of Board of Directors: 13/13</p>	<p>Apr. 1984 Joined OPTEX Company, Limited</p> <p>Jan. 2003 Head, President's Office, OPTEX Company, Limited</p> <p>Jan. 2004 Executive Officer, General Manager, Corporate Planning Division, OPTEX Company, Limited</p> <p>Jan. 2005 Executive Officer, General Manager, Administration Division, OPTEX Company, Limited</p> <p>Mar. 2012 Director and Executive Officer, General Manager, Administration Division, OPTEX Company, Limited</p> <p>Jan. 2014 Director and Executive Officer, General Manager, Administrative Headquarters and General Manager, Administration Division, OPTEX Company, Limited</p> <p>Jan. 2017 Executive Director and CFO, OPTEX GROUP Company, Limited (current position)</p>	22,260 shares
<p>Significant concurrent positions No items to report.</p> <p>Reason for election Akira Higashi has a major role in the management of the Group as Director of the Company and has served for many years in charge of the Corporate Planning and Administration Divisions. The Company requests the reelection of Akira Higashi as Director because he has abundant experience and a track record in corporate management. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Akira Higashi and the Company.</p>			
4	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Toru Kamimura (Apr. 9, 1960)</p> <p style="text-align: center;">Attendance at meetings of Board of Directors: 13/13</p>	<p>Nov. 2006 Joined OPTEX Company, Limited</p> <p>Jan. 2007 Executive Officer, General Manager, Technology Development Division, OPTEX Company, Limited</p> <p>Jan. 2011 Executive Officer, General Manager, SEC Business Division, OPTEX Company, Limited</p> <p>Mar. 2012 Director and Executive Officer, General Manager, SEC Business Division, OPTEX Company, Limited</p> <p>Jan. 2014 Director and Executive Officer, General Manager, Corporate Business Strategy Headquarters and Manager, NSS Business Division, OPTEX Company, Limited</p> <p>Jan. 2017 Director, OPTEX GROUP Company, Limited (current position) President, OPTEX Company, Limited (current position)</p>	12,692 shares
<p>Significant concurrent positions President, OPTEX Company, Limited</p> <p>Reason for election The Company requests the reelection of Toru Kamimura as Director because he developed a track record as a technical expert at a major Japanese electronics manufacturer for over 22 years since 1983, has served as General Manager in both the Company's Development Division and Sales Division, and has abundant experience and a track record as Director. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Toru Kamimura and the Company.</p>			

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company (significant positions concurrently held at other organizations)	Number of the Company's shares held
5	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Hiroyuki Onishi (Aug. 8, 1965)</p> <p style="text-align: center;">Attendance at meetings of Board of Directors: 13/13</p>	<p>May 2011 Joined CCS Inc.</p> <p>Aug. 2011 Executive Officer (<i>Shikkoyaku</i>) in charge of Corporate Planning Division and Manager, Management Strategy Group, CCS Inc.</p> <p>Feb. 2012 Executive Officer (<i>Shikkoyaku</i>) in charge of Corporate Planning Division and New Business Division, CCS Inc.</p> <p>Oct. 2015 Director and Managing Executive Officer (<i>Shikkoyaku</i>) in charge of Domestic Sales Division and Management Strategy Office, CCS Inc.</p> <p>Aug. 2016 Managing Director in charge of Domestic Sales Division, Corporate Planning Division, Management Strategy Office, and Management Support Department, CCS Inc.</p> <p>Oct. 2016 President, CCS Inc. (current position)</p> <p>Jan. 2017 Director, OPTEX GROUP Company, Limited (current position)</p>	9,240 shares
<p>Significant concurrent positions President, CCS Inc.</p> <p>Reason for election The Company requests the reelection of Hiroyuki Onishi as Director because he was engaged in corporate management at a group company of a leading Japanese securities firm and other companies for over 21 years since 1990, and has abundant experience and a track record in corporate management such as serving as Executive Officer (<i>Shikkoyaku</i>) and Director in charge of the Corporate Planning Division, Management Strategy Office, and Sales Division of CCS Inc. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Hiroyuki Onishi and the Company.</p>			
6	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Tatsuya Nakajima (Oct. 11, 1966)</p> <p style="text-align: center;">Attendance at meetings of Board of Directors: 10/10</p>	<p>Apr. 2016 Joined OPTEX FA CO., LTD.</p> <p>Jul. 2016 General Manager, Sensor Sales Division, OPTEX FA CO., LTD.</p> <p>Jan. 2017 Director, OPTEX FA CO., LTD.</p> <p>Mar. 2017 Executive Director, OPTEX FA CO., LTD.</p> <p>Mar. 2018 President, OPTEX FA CO., LTD. (current position) Director, OPTEX GROUP Company, Limited (current position)</p>	2,628 shares
<p>Significant concurrent positions President, OPTEX FA CO., LTD.</p> <p>Reason for election The Company requests the reelection of Tatsuya Nakajima as Director because he has abundant experience and a track record of serving for over 27 years since 1989 in leading companies in the factory automation sensor industry in Japan and overseas. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will continue to improve the Group's corporate value.</p> <p>Special interest between the candidate and the Company There is no special interest between Tatsuya Nakajima and the Company.</p>			

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company (significant positions concurrently held at other organizations)	Number of the Company's shares held
7	<p>New election Outside Independent</p> <p>Yasushi Sakemi (Dec. 24, 1958)</p>	<p>Apr. 1991 Registered as an attorney at law</p> <p>Apr. 1993 Joined Tetsuro Sakemi Law Office (currently Sakemi Law Office)</p> <p>Jun. 2004 Outside Auditor, SHOFU INC. (current position)</p> <p>Oct. 2009 Outside Director, CCS Inc.</p> <p>Aug. 2016 Outside Director (Audit and Supervisory Committee Member), CCS Inc.</p> <p>Jul. 2018 Company Auditor, CCS Inc. (current position)</p>	7,420 shares
	<p>Significant concurrent positions Company Auditor, CCS Inc. Outside Auditor, SHOFU INC.</p> <p>Reason for election The Company requests the election of Yasushi Sakemi as Outside Director because he has long served as an attorney. The Company considers that he is a talented individual who is appropriate for the position of Director and that his election will contribute to further enhancement of the Group's corporate governance and continue to improve the Group's corporate value by providing sound advice based on his abundant business experience and broad insights as well as his advanced legal knowledge. Yasushi Sakemi has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as Outside Director based on the above reasons.</p> <p>Special interest between the candidate and the Company There is no special interest between Yasushi Sakemi and the Company.</p>		

- Notes:
1. Yasushi Sakemi is a candidate for Outside Director.
 2. Yasushi Sakemi satisfies the requirements for an independent officer as stipulated by the Tokyo Stock Exchange, Inc. and the independence criteria established by the Company. If his election is approved, the Company will register him as an independent officer as stipulated by the Tokyo Stock Exchange, Inc. Consequently, the number of the Company's independent officers will be four (4), including Yasushi Sakemi, Minoru Kida in Proposal 3 and incumbents, Yukinori Kuwano and Tsutomu Ozako.
 3. The Company has, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, entered into agreements with Directors (excluding Directors that execute business, etc.) to limit liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the liability based on such agreements shall be the minimum amount stipulated in laws and regulations. If the election of Yasushi Sakemi is approved, the Company will enter into the same agreement with him.
 4. Yasushi Sakemi is Company Auditor of CCS Inc., a subsidiary of the Company.

Proposal 3: Election of One (1) Director Who Is an Audit and Supervisory Committee Member

The term of office of Director who is an Audit and Supervisory Committee Member, Hiromu Miza, will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of one (1) Director who is an Audit and Supervisory Committee Member.

If this proposal is approved and adopted, the number of Directors who are Audit and Supervisory Committee Members will continue to be four (4).

The Board of Directors selected the candidate for Director who is an Audit and Supervisory Committee Member upon receiving a report from the Nomination Advisory Committee. In addition, Audit and Supervisory Committee has consented to this proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and position and areas of responsibility in the Company (significant positions concurrently held at other organizations)	Number of the Company's shares held
New election Outside Independent Minoru Kida (Jul. 30, 1970) (48 years old)	Oct. 1993 Joined Osaka Office, Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) Jan. 2004 Assumed office as Representative and Head, Kida CPA Office with the business commencement registration of Kida CPA Office (current position) Dec. 2006 Chief Executive Officer and Representative Partner, Gravitas Audit Corporation with the establishment of Gravitas Audit Corporation (current position)	0 shares
Significant concurrent positions Representative and Head, Kida CPA Office Chief Executive Officer and Representative Partner, Gravitas Audit Corporation		
Reason for election The Company requests the election of Minoru Kida as Outside Director who is an Audit and Supervisory Committee Member because he has experience being actually engaged in audit work for listed companies as a certified public accountant and certified public tax accountant for many years as well as broad insights and abundant knowledge and experience. The Company considers that he will contribute to further enhancement of the audit structure of the Group by providing sound advice. Minoru Kida has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as Outside Director based on the above reasons.		
Special interest between the candidate and the Company There is no special interest between Minoru Kida and the Company.		

- Notes:
1. Minoru Kida is a candidate for Outside Director.
 2. The Company has, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, entered into agreements with all Audit and Supervisory Committee Members to limit liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the liability based on such agreements shall be the minimum amount stipulated in laws and regulations. If the election of Minoru Kida is approved, the Company will enter into the same agreement with him.
 3. Minoru Kida satisfies the requirements for an independent officer as stipulated by the Tokyo Stock Exchange, Inc. and the independence criteria established by the Company. If his election is approved, the Company will register him as an independent officer as stipulated by the Tokyo Stock Exchange, Inc.
Consequently, the number of the Company's independent officers will be four (4), including Minoru Kida, Yasushi Sakemi in Proposal 2 and incumbents, Yukinori Kuwano and Tsutomu Ozako.