

(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.

Securities code: 2685
May 8, 2018

To Our Shareholders

Michio Fukuda
Representative Director,
Chairman, Chief Executive Officer & President
Adastria Co., Ltd.
3-1-27 Izumi-cho, Mito-shi, Ibaraki

Notice of the 68th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 68th Ordinary General Meeting of Shareholders of Adastria Co., Ltd. (the “Company”) to be held as stated below.

If you are unable to attend the General Meeting of Shareholders, you may exercise your voting rights in writing or electronically or magnetically (e.g. via the Internet). After reviewing the attached Reference Documents for the General Meeting of Shareholders, please indicate your approval or disapproval of the proposals on the enclosed voting card and return it to reach us no later than 7:00 p.m. on Wednesday, May 23, 2018 (Japan Standard Time), or vote at the website for the exercise of voting rights specified by the Company (<https://evote.tr.mufg.jp/>).

Meeting Details

- 1. Date and Time:** Thursday, May 24, 2018 at 3:00 p.m. (doors open at 2:00 p.m.)
- 2. Venue:** “Sea Breeze” at HOTEL TERRACE the GARDEN MITO 3F
1-7 Miya-machi, Mito-shi, Ibaraki
- 3. Purpose of the meeting:**

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 68th fiscal year (from March 1, 2017 to February 28, 2018), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 68th fiscal year (from March 1, 2017 to February 28, 2018)

Matters to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
Proposal 2: Election of Eight (8) Directors
Proposal 3: Election of One (1) Audit & Supervisory Board Member

4. Matters Concerning Internet Disclosure

Of the documents that should be provided with this notice of the General Meeting of Shareholders, the following items are posted on the Company's website (<http://www.adastria.co.jp/>) pursuant to relevant laws and regulations and Article 15 of the Company's Articles of Incorporation. These documents are thus not included in this notice of the General Meeting of Shareholders.

- (a) Consolidated Statement of Changes in Equity
- (b) Notes to the Consolidated Financial Statements
- (c) Statement of Changes in Equity
- (d) Notes to the Non-consolidated Financial Statements

Accordingly, the attached documents to this notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing the audit reports.

5. Instructions Concerning the Exercise of Voting Rights

Please refer to "Instructions Concerning the Exercise of Voting Rights" presented on page 3.

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- If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, please note that such changes will be posted on the Company's website (<http://www.adastria.co.jp/>).
 - When you attend the General Meeting of Shareholders, you are kindly requested to submit the enclosed voting card at the reception. You are also requested to bring this notice to the meeting.

[Instructions Concerning the Exercise of Voting Rights]

You may exercise your voting rights in one of the three following methods.

Attending the General Meeting of Shareholders

Please submit the voting card at the reception desk upon your arrival. (name seals are not required.)

Date and Time: Thursday, May 24, 2018 at 3:00 p.m. (JST) (doors open at 2:00 p.m.)

Venue: “Sea Breeze” at HOTEL TERRACE the GARDEN MITO 3F
1-7 Miya-machi, Mito-shi, Ibaraki

Mailing the Voting Card

Please indicate your approval or disapproval of each proposal on the enclosed voting card, and post it without affixing postage stamps.

Exercise due date:

Arrive at the Company no later than Wednesday, May 23, 2018 at 7:00 p.m. (JST)

Exercising Voting Rights via the Internet

Please access the website for exercising voting rights (<https://evote.tr.mufg.jp/>) from a personal computer (PC), a smartphone, or a mobile phone, enter your Login ID and Temporary Password provided on the enclosed voting card, and follow on-screen instructions to indicate your approval or disapproval of each proposal.

Exercise due date: No later than Wednesday, May 23, 2018 at 7:00 p.m. (JST)

- (1) Please be aware that, in order to prevent unauthorized access (spoofing) by persons other than shareholders and falsification of votes, shareholders voting via the Internet will be asked to change their Temporary Password on the voting website.
- (2) You will be notified of a new Login ID and Temporary Password every time a General Meeting of Shareholders is convened.
- (3) Any fees incurred for accessing the website for exercising voting rights (Internet connection fees, telephone charges, etc.) shall be borne by shareholders. Also, when voting by mobile phone, packet communication fees and other costs entailed by the use of mobile phones shall be borne by shareholders.

Cautions Regarding Exercise of the Voting Rights via the Internet

- (1) If you exercise your voting rights both in writing and via the Internet, your voting via the Internet shall be deemed valid.
- (2) If you exercise your voting rights multiple times via the Internet, only the last vote cast shall be deemed valid. Similarly, if you exercise your voting rights more than once using a PC, a smartphone and/or a mobile phone, only the last vote cast shall be deemed valid.
- (3) Any fees incurred for accessing the website for exercising voting rights (Internet connection fees, telephone charges, etc.) shall be borne by shareholders. Also, when voting by mobile phone, packet communication fees and other costs entailed by the use of mobile phones shall be borne by shareholders.
- (4) Voting via the Internet will be accepted until Wednesday, May 23, 2018 at 7:00 p.m. However, we respectfully ask you to exercise your voting rights at your earliest convenience.
If you have any questions, please contact the Help Desk (details below).

Website for Exercising Voting Rights

- (1) You can exercise your voting rights via the Internet only by accessing the website for exercising voting rights designated by the Company (<https://evote.tr.mufig.jp/>) from a PC, a smartphone, or a mobile phone (i-mode, EZweb, Yahoo! Keitai). (Please note that the website is closed from 2:00 a.m. through 5:00 a.m. (JST), every day.)
 - (2) Please be aware that, when exercising voting rights from a PC or a smartphone, you may not be able to exercise your voting rights depending on certain factors in the Internet connection environments, including the use of a firewall, etc., installation of an anti-virus software, and the use of a proxy server.
 - (3) For exercising voting rights from a mobile phone, please use one of the following services: i-mode, EZweb, Yahoo! Keitai. For security purposes, mobile phones that are incapable of handling encrypted communication (SSL communication) or transmitting terminal ID information are not supported.
- * “i-mode,” “EZweb” and “Yahoo!” are trademarks or registered trademarks of NTT DOCOMO, INC., KDDI Corporation and U.S. Yahoo! Inc., respectively.

Receiving Notice of General Meeting of Shareholders

For the General Meeting of Shareholders to be held next time and in subsequent times, shareholders may elect to receive their notice by e-mail. If you wish to receive the notice by e-mail, please access the website for exercising voting rights from a PC or a smartphone and complete the registration procedure. (Please note that it is not possible to complete this procedure via mobile phone, nor is it possible to have notice emails sent to a mobile phone email address.)

Electronic Voting Platform

Trust banks and other nominee shareholders (including standing proxies) who have applied in advance to use the electronic voting platform operated by ICJ, Inc. (a joint-venture company established by Tokyo Stock Exchange, Inc. and others) may use this platform other than voting via the Internet to electronically exercise voting rights for the Company’s General Meeting of Shareholders.

For inquiries about the system or other matters, please contact:
Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027 (9:00 a.m. to 9:00 p.m.; toll free within Japan)

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Partial Amendments to the Articles of Incorporation

The Company asks for approval for partial amendments to the Articles of Incorporation. The amendments to the Articles of Incorporation shall be effective from June 1, 2018.

1. Reasons for the proposal

In order to prepare for the future business development of the Company and its subsidiaries, new business purposes are to be added to the current Articles of Incorporation.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
(Objects)	(Objects)
Article 2. (Omitted)	Article 2. (Not Amended)
(1) planning, manufacturing, processing, repair, cleaning, purchase, sale, export/import, consignment sales, as well as rental and leasing of apparel products, watches, eyeglasses, shoes, cosmetics, perfume, pharmaceutical products, quasi-drugs, bags, umbrellas, hats, clothing ornament accessories, jewels, precious metals, leather goods, interior decorations, food, furniture, bedclothes, towels, pet supplies, tableware, interior goods, books, stationery, toys, home electric appliances, audio equipment, software including electronic media, sportswear and equipment, vehicles, plants, kitchenware, and home and general merchandise;	(1) planning, manufacturing, processing, repair, cleaning, purchase, sale, export/import, consignment sales (consignor), <u>consignment sales (consignee), coordination services</u> , as well as rental and leasing of apparel products, watches, eyeglasses, shoes, cosmetics, perfume, pharmaceutical products, quasi-drugs, bags, umbrellas, hats, clothing ornament accessories, jewels, precious metals, leather goods, interior decorations, food, furniture, bedclothes, towels, pet supplies, tableware, interior goods, books, stationery, toys, home electric appliances, audio equipment, software including electronic media, sportswear and equipment, vehicles, plants, kitchenware, and home and general merchandise;
(2) to (6) (Omitted)	(2) to (6) (Not Amended)
(7) storing, inspection, management and packing/packaging of products stipulated under items (1) through (5) above;	(7) storing, inspection, management and packing/packaging of products stipulated under items (1) through (5) above <u>and these operations on consignment</u> ;
(8) management of restaurants and coffee shops;	(8) management of restaurants and coffee shops, <u>and these operations on consignment</u> ;
(9) to (22) (Omitted)	(9) to (22) (Not Amended)

Proposal 2: Election of Eight (8) Directors

The terms of office of all eight Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

No.	Name	Current Positions and Responsibility in the Company	Attribute
1	Michio Fukuda	Representative Director, Chairman, Chief Executive Officer & President	Reelection
2	Osamu Kimura	Executive Vice President (in charge of Sales Section and New Business Development)	Reelection
3	Taiki Fukuda	Director (in charge of U.S. Business and Corporate Governance)	Reelection
4	Masayuki Kindo	Senior Executive Officer, General Manager of General Headquarters of Management	New election
5	Hideki Kurashige	Outside Director	Reelection, Outside, Independent
6	Tadamitsu Matsui	Outside Director	Reelection, Outside, Independent
7	Satoshi Akutsu	Outside Director	Reelection, Outside, Independent
8	Hiromi Horie	Outside Director	Reelection, Outside, Independent

Reelection: Candidate to be reelected as a Director

New election: Candidate to be newly elected as a Director

Outside: Candidate for an Outside Director

Independent: Independent officer as provided for by stock exchanges

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
1	<p data-bbox="325 824 459 855"><Reelection></p> <p data-bbox="325 882 469 936">Michio Fukuda (July 10, 1946)</p>	<p data-bbox="504 407 1203 488">May 1971 Joined Fukudaya Clothes Store Inc. (currently the Company) Director of Fukudaya Clothes Store Inc.</p> <p data-bbox="504 497 1203 528">Jun. 1982 Senior Managing Director of Fukudaya Clothes Store Inc.</p> <p data-bbox="504 537 1203 591">Apr. 1991 Representative Director, President of Bears Factory Limited (currently Adastria Logistics Co., Ltd.)</p> <p data-bbox="504 600 1203 654">Mar. 1993 Representative Director, President of POINT INC. (currently the Company)</p> <p data-bbox="504 663 1203 694">Dec. 2002 Representative Director, President of POINT TW INC.</p> <p data-bbox="504 703 1203 757">May 2004 Representative Director, Chairman of POINT INC. (currently the Company)</p> <p data-bbox="504 766 1203 819">May 2010 Representative Director, Chairman & President of POINT INC.</p> <p data-bbox="504 828 1203 882">Sep. 2013 Representative Director, Chairman of Adastria Holdings Co., Ltd. (currently the Company)</p> <p data-bbox="504 891 1203 945">May 2015 Representative Director, Chairman & Chief Executive Officer of Adastria Holdings Co., Ltd.</p> <p data-bbox="504 954 1203 1008">Mar. 2018 Representative Director, Chairman, Chief Executive Officer & President of the Company (present)</p>	1,041,340
		<p data-bbox="504 1030 1053 1061">Significant concurrent positions outside the Company</p> <p data-bbox="504 1070 564 1102">None.</p>	
		<p data-bbox="504 1120 1011 1151">Reasons for nominating the candidate as Director</p> <p data-bbox="504 1160 1340 1348">Michio Fukuda has been nominated as a candidate for Director because the candidate has the achievements of demonstrating leadership and promoting the growth and expansion of the Company's business since the candidate assumed the office of Representative Director of the Company in 1993. The Company proposes the candidate's election as Director to utilize the candidate's rich experience accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
2	<p data-bbox="325 792 459 819"><Reelection></p> <p data-bbox="325 853 464 931">Osamu Kimura (September 2, 1969)</p>	<p data-bbox="504 365 1174 421">Sep. 2011 Representative Director, President of TRINITY ARTS INC. (currently the Company)</p> <p data-bbox="504 432 951 459">Apr. 2013 Director of FRIENDS Co., Ltd.</p> <p data-bbox="504 470 1166 548">Sep. 2013 Director of Adastria Holdings Co., Ltd. (currently the Company) Director of Adastria Asia Co., Ltd.</p> <p data-bbox="504 560 1118 616">Feb. 2014 Director of N9&PG Co., Ltd. (currently Adastria Logistics Co., Ltd.)</p> <p data-bbox="504 627 1190 683">May 2015 Director, Senior Executive Officer of Adastria Holdings Co., Ltd. (currently the Company)</p> <p data-bbox="504 694 991 721">Jun. 2016 Managing Director of the Company</p> <p data-bbox="504 732 1177 788">Nov. 2016 Director, Vice President of Peoples Inc. Director, Vice President of ALICIA Co., Ltd. (present)</p> <p data-bbox="504 799 1185 855">Mar. 2017 Director, Vice President of ELEMENT RULE Co., Ltd. (present)</p> <p data-bbox="504 866 1166 922">Oct. 2017 Representative Director, President of ADASTRIA eat Creations Co., Ltd. (present)</p> <p data-bbox="504 934 1190 990">Mar. 2018 Executive Vice President of the Company (in charge of Sales Section and New Business Development) (present)</p>	18,676
		<p data-bbox="504 1003 1054 1030">Significant concurrent positions outside the Company</p> <p data-bbox="504 1041 943 1068">Director, Vice President of ALICIA Co., Ltd.</p> <p data-bbox="504 1079 1046 1106">Director, Vice President of ELEMENT RULE Co., Ltd.</p> <p data-bbox="504 1117 1214 1144">Representative Director, President of ADASTRIA eat Creations Co., Ltd.</p>	
		<p data-bbox="504 1137 1015 1164">Reasons for nominating the candidate as Director</p> <p data-bbox="504 1176 1350 1352">Osamu Kimura has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in the field of sales and store development, and the candidate has worked as a Representative Director of an Adastria Group companies in the past. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
3	<Reelection> Taiki Fukuda (April 11, 1978)	Mar. 2004 Joined IMS Co., Ltd.	201,324
		Apr. 2005 Joined POINT INC. (currently the Company)	
		Mar. 2014 General Manager of Overseas Division of POINT INC.	
		May 2014 Representative Director, President of Adastria Asia Co., Ltd.	
		Mar. 2016 General Manager of Communication Design Division of the Company	
		Mar. 2017 General Manager of Corporate Planning Division of the Company (present)	
		May 2017 Director, General Manager of Corporate Planning Division of the Company	
		Mar. 2018 Director of the Company (in charge of U.S. Business and Corporate Governance) (present)	
Significant concurrent positions outside the Company None.			
Reasons for nominating the candidate as Director Taiki Fukuda has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in Japan and overseas, and the candidate has worked as a Representative Director, President of an overseas subsidiary of the Company in the past. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.			

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
4	<New candidate> Masayuki Kindo (December 5, 1967)	Apr. 1991 Joined The Sanwa Bank, Limited (currently MUFJ Bank, Ltd.)	-
		Jul. 2006 Joined POINT INC. (currently the Company) General Manager of President's Office	
		Mar. 2008 Executive Officer, General Manager of President's Office of POINT INC.	
		Jun. 2010 Executive Officer, General Manager of New Business Division of POINT INC.	
Mar. 2012 Executive Officer, General Manager of Strategy Promotion Department of POINT INC.			
Nov. 2012 Managing Executive Officer, General Manager of Strategy Promotion Department and Miscellaneous Goods Business Department			
Sep. 2013 General Manager of Finance Department of Adastria Holdings, Co., Ltd. (currently the Company)			
Mar. 2015 Senior Executive Officer, General Manager of Business Promotion Division of Adastria Holdings Co., Ltd.			
Mar. 2016 Senior Executive Officer, General Manager of Business Management Division of the Company			
Mar. 2018 Senior Executive Officer, General Manager of General Headquarters of Management and Overseas Assistance Division of the Company (present) Director of Adastria Asia Co., Ltd. (present) Director of POINT (Shanghai) Co., Ltd. (present) Representative Director, President of POINT TW INC. (present) Director of Adastria Korea Co., Ltd. (present)			
Significant concurrent positions outside the Company Director of Adastria Asia Co., Ltd. Director of POINT (Shanghai) Co., Ltd. (present) Representative Director, President of POINT TW INC. Director of Adastria Korea Co., Ltd.			
Reasons for nominating the candidate as Director Masayuki Kindo has been nominated as a candidate for Director because the candidate has gained knowledge in finance and accounting based on his experience in a financial institution, and the candidate has gained extensive experience and many achievements in corporate strategy, finance and sales in the Company. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.			

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
5	<p data-bbox="304 1037 480 1149" style="text-align: center;"><Reelection> <Candidate for Outside Director> <Independent></p> <p data-bbox="304 1178 480 1256">Hideki Kurashige (September 11, 1942)</p>	<p data-bbox="504 365 1182 1200"> Apr. 1966 Joined IBM Japan, Ltd. Jan. 1993 Executive Vice President of IBM Japan, Ltd. Nov. 1993 Chairman of Price Waterhouse Consultants Co., Ltd. (currently PwC Consulting LLC) May 2000 Director and Adviser of Jusco Co., Ltd. (currently AEON CO., LTD.) Oct. 2002 Chairman of IBM Business Consulting Services KK Feb. 2004 Director, President & CEO, Representative Executive Officer of JAPAN TELECOM CO., LTD (currently SoftBank Corp.) Oct. 2006 President and Senior Managing Director of RHJI Industrial Partners Asia, Inc. May 2007 Outside Director of AEON CO., LTD. Jun. 2007 Outside Director of ASAHI TEC CORPORATION Dec. 2007 Representative Director and Chairman of RHJ International, Japan, Inc. May 2008 CEO, Representative Director of SIGMAXYZ Inc. Apr. 2010 Chairman, Representative Director of SIGMAXYZ Inc. Apr. 2011 Chairman of IT Frontier Corporation (currently Tata Consultancy Services Japan, Ltd.) Apr. 2012 Chairman, Representative Director of IT Frontier Corporation Apr. 2013 Representative Director, Chairman and President of SIGMAXYZ Inc. (present) Sep. 2013 Outside Director of the Company (present) </p> <p data-bbox="504 1216 1182 1283">Significant concurrent positions outside the Company Representative Director, Chairman and President of SIGMAXYZ Inc.</p> <p data-bbox="504 1305 1361 1480">Reasons for nominating the candidate as outside Director and tenure Hideki Kurashige has been nominated as a candidate for outside Director because the candidate has rich experience and extensive insight accumulated while working at global companies. The Company proposes the candidate's election as outside Director to benefit from the guidance that the candidate would provide in the area of promoting sound and efficient management. The candidate's tenure as outside Director will be four years and eight months at the conclusion of this General Meeting of Shareholders.</p> <p data-bbox="504 1559 1361 1704">Independence of the candidate The Company has appointed Hideki Kurashige as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p data-bbox="504 1727 1361 1917">Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Hideki Kurashige to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	-

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
6	Tadimitsu Matsui (May 13, 1949)	<p>Jun. 1973 Joined THE SEIYU Co., Ltd. (currently Seiyu GK)</p> <p>May 1993 Director, General Manager of General Affairs and Personnel Division of RYOHIN KEIKAKU CO., LTD.</p> <p>May 1999 Representative Director, President of RK TRUCKS CO., LTD. (currently RYOHIN KEIKAKU CO., LTD.)</p> <p>May 2000 President and Representative Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Jan. 2001 President and Representative Director of RYOHIN KEIKAKU CO., LTD.</p> <p>Apr. 2001 Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Feb. 2002 President and Representative Director and Executive Officer of RYOHIN KEIKAKU CO., LTD.</p> <p>Feb. 2008 Chairman and Representative Director and Executive Officer of RYOHIN KEIKAKU CO., LTD.</p> <p>May 2009 President and Representative Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Apr. 2010 President and Representative Director of T&T Corporation (currently Matsui Office Corporation) (present)</p> <p>Jun. 2013 Outside Director of Resona Bank, Limited</p> <p>Sep. 2013 Outside Director of the Company (present)</p> <p>Jun. 2014 Outside Director of Resona Holdings, Inc. (present) Outside Director of OOTOYA Holdings Co., Ltd.</p> <p>May 2015 Outside Director of NEXTAGE Co., Ltd. (present)</p> <p>Nov. 2016 Outside Director of SADAMATSU Company Limited (present)</p>	4,000
		<p>Significant concurrent positions outside the Company President and Representative Director of Matsui Office Corporation Outside Director of Resona Holdings, Inc. Outside Director of NEXTAGE Co., Ltd. Outside Director of SADAMATSU Company Limited</p>	
		<p>Reasons for nominating the candidate as outside Director and tenure Tadimitsu Matsui has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's experience and insight gained as a business manager for major corporations (retail) and with the expectation that this experience and insight can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director. The candidate's tenure as outside Director will be four years and eight months at the conclusion of this General Meeting of Shareholders.</p> <p>Independence of the candidate The Company has appointed Tadimitsu Matsui as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p>Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Tadimitsu Matsui to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
7	<p data-bbox="304 987 480 1099"><Reelection> <Candidate for Outside Director> <Independent></p> <p data-bbox="304 1128 469 1182">Satoshi Akutsu (July 11, 1966)</p>	<p data-bbox="504 365 1114 418">May 1998 Ph.D. in Business Administration, University of California, Berkeley</p> <p data-bbox="504 427 1094 481">Dec. 1998 Assistant Professor, Faculty of Commerce and Management, Hitotsubashi University</p> <p data-bbox="504 490 1198 544">Apr. 1999 Assistant Professor, the Graduate School of International Corporate Strategy, Hitotsubashi University</p> <p data-bbox="504 553 1190 696">Jun. 2002 Associate Professor, the Graduate School of International Corporate Strategy, Hitotsubashi University (The Japanese title for Associate Professor was changed from <i>Jokyoju</i> to <i>Junkyoju</i> in 2007)</p> <p data-bbox="504 705 1150 736">Mar. 2010 Outside Director, OTSUKA KAGU, LTD. (present)</p> <p data-bbox="504 745 1190 889">Apr. 2010 Visiting Professor, Collaborative Research Sector, National Institute of Informatics, Research Organization of Information and Systems Professor, the Graduate School of Business Administration, Hitotsubashi University (present)</p> <p data-bbox="504 898 1062 929">Sep. 2013 Outside Director of the Company (present)</p> <p data-bbox="504 938 1126 969">Jun. 2017 Outside Director of Nojima Corporation (present)</p>	-
		<p data-bbox="504 976 1054 1008">Significant concurrent positions outside the Company</p> <p data-bbox="504 1016 1318 1048">Professor, the Graduate School of Business Administration, Hitotsubashi University</p> <p data-bbox="504 1057 916 1088">Outside Director, OTSUKA KAGU, LTD.</p> <p data-bbox="504 1097 895 1128">Outside Director of Nojima Corporation</p>	
		<p data-bbox="504 1120 1206 1151">Reasons for nominating the candidate as outside Director and tenure</p> <p data-bbox="504 1160 1361 1384">Satoshi Akutsu has been nominated as a candidate for outside Director, although the candidate has never participated in the management of companies other than as an outside officer, as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a marketing specialist and with the expectation that the candidate would provide useful advice and more in relation to the Company's overall marketing business and the management of the Company can benefit from this advice, with a focus on business development strategies. Therefore, the Company proposes the candidate's election as outside Director.</p> <p data-bbox="504 1393 1318 1447">The candidate's tenure as outside Director will be four years and eight months at the conclusion of this General Meeting of Shareholders.</p> <p data-bbox="504 1456 815 1487">Independence of the candidate</p> <p data-bbox="504 1496 1361 1581">The Company has appointed Satoshi Akutsu as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p data-bbox="504 1590 791 1621">Agreement limiting liability</p> <p data-bbox="504 1630 1342 1803">In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Satoshi Akutsu to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
8	<Reelection> <Candidate for Outside Director> <Independent> Hiromi Horie (June 19, 1956)	Apr. 1981 Joined Nara Machinery Co., Ltd. May 1988 Joined Levi Strauss Japan KK Dec. 1999 Marketing Senior Manager of Levi Strauss Japan KK Mar. 2005 Public Affairs Division Manager of Starbucks Coffee Japan, Ltd. Dec. 2006 Marketing Division Manager of Starbucks Coffee Japan, Ltd. Aug. 2010 Marketing Officer of Starbucks Coffee Japan, Ltd. May 2016 Outside Director of the Company (present) Mar. 2017 Representative Director of Haruka Co., Ltd. (present)	-
		Significant concurrent positions outside the Company Representative Director of Haruka Co., Ltd.	
		Reasons for nominating the candidate as outside Director and tenure Hiromi Horie has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a manager of public affairs and marketing division for major corporations (retail and restaurant) and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director. The candidate's tenure as outside Director will be two years at the conclusion of this General Meeting of Shareholders.	
		Independence of the candidate The Company has appointed Hiromi Horie as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.	
		Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Hiromi Horie to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.	

Notes: 1. Each of the candidates has no special interest in the Company.

2. "Number of the Company's Shares Owned" indicates the number of shares owned as of February 28, 2018.

Proposal 3: Election of One (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member Tetsuro Yokoyama will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member. The consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of Birth)	Career Summary and Positions in the Company (Significant Concurrent Positions outside the Company)	Number of the Company's Shares Owned
	Apr. 1983 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) Oct. 1990 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Mar. 1994 Registered as a Certified Public Accountant Jan. 2007 Joined Ernst & Young ShinNihon (currently Ernst & Young ShinNihon LLC) Jan. 2015 Representative of Yoshiko Hayama Certified Public Accountant Office (present) Jun. 2015 Outside Audit & Supervisory Board Member, COCO'S JAPAN CO., LTD. May 2016 Outside Director, SUGI HOLDINGS CO., LTD. (present) Aug. 2016 Research Specialist of The Japanese Institute of Certified Public Accountants (present) Jun. 2017 Outside Director, COCO'S JAPAN CO., LTD. (present)	-
<New candidate> <Candidate for Outside Audit & Supervisory Board Member> <Independent>	Significant concurrent positions outside the Company Representative of Yoshiko Hayama Certified Public Accountant Office Outside Director, SUGI HOLDINGS CO., LTD. Outside Director, COCO'S JAPAN CO., LTD. Research Specialist of The Japanese Institute of Certified Public Accountants	
Yoshiko Hayama (October 7, 1959)	Reasons for nominating the candidate as outside Audit & Supervisory Board Member Although Yoshiko Hayama has never participated in the management of companies other than as an outside officer, the Company proposes the candidate's election as outside Audit & Supervisory Board Member because it judges that she is an appropriate candidate capable of reflecting, in audits of the Company, the candidate's professional view as a certified public accountant as well as rich experience and insight cultivated through performing her duties at audit corporations. Independence of the candidate Yoshiko Hayama satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If the candidate is elected, the Company will appoint the candidate as an independent officer and notify the exchange to that effect. Agreement limiting liability If the election of Yoshiko Hayama is approved, in accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 34, paragraph 2 of the Articles of Incorporation, the Company will enter into an agreement with the candidate to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act.	

Notes: 1. Yoshiko Hayama has no special interest in the Company.

2. "Number of the Company's Shares Owned" indicates the number of shares owned as of February 28, 2018.