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Securities Code: 8011

March 8, 2018

To our shareholders:

Isao Iwata, Representative Director
SANYO SHOKAI LTD.
6-14 Yotsuyahonshio-cho, Shinjuku-ku, Tokyo

Notice of the 75th Annual General Meeting of Shareholders

You are cordially invited to attend the 75th Annual General Meeting of Shareholders of SANYO SHOKAI LTD. (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights.

- 1. Date and Time:** Thursday, March 29, 2018, at 10:00 a.m. (JST)
- 2. Venue:** Event Hall, Aoyama Building of the Company (the first basement floor)
1-24-3 Minami-aoyama, Minato-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 75th fiscal year (from January 1, 2017 to December 31, 2017), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 75th fiscal year (from January 1, 2017 to December 31, 2017)

Matters to be resolved:

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|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Seven Directors |
| Proposal No. 3 | Election of One Audit & Supervisory Board Member |
| Proposal No. 4 | Election of One Substitute Audit & Supervisory Board Member |

4. Handling of votes

- (1) If a voting right is exercised both in writing and via the Internet or other means, the online vote shall be deemed effective.
 - (2) If a voting right is exercised via the Internet more than once, the last vote shall be deemed effective.
1. If you are attending the meeting in person, you are kindly requested to submit the enclosed voting form at the reception desk.
 2. Of the documents to be provided with the notice, pursuant to laws and regulations and Article 16 of the Articles of Incorporation of the Company, information concerning matters to be disclosed in the “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” is published on the Company’s website (<http://www.sanyo-shokai.co.jp/> (in Japanese only)). Therefore, they are not printed in the attached documents of this notice.
 3. In the event that any revisions should be made to the content of Reference Documents for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, or Consolidated Financial Statements by one day prior to the General Meeting of Shareholders, the Company will notify such revisions in writing by post or by posting to its website (<http://www.sanyo-shokai.co.jp/>).

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

Although the difficult business environment is expected to persist, the Company proposes to pay a year-end dividend of ¥40 per share as follows in order to reciprocate the support of its shareholders and in consideration of a stable profit return.

Year-end dividends

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and the aggregate amount
¥40 per common share of the Company
Total payment: ¥502,715,080
- (3) Effective date of distribution of surplus
March 30, 2018

Proposal No. 2 Election of Seven Directors

The terms of office of all seven Directors will expire at the conclusion of this meeting. In this regard, the Company proposes the election of seven Directors.

The candidates for Director are as follows.

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Isao Iwata (March 14, 1959)</p> <p style="text-align: center;">Reelection</p>	<p>Apr. 1982 Joined the Company</p> <p>July 2003 General Manager in charge of Corporate Planning Office, Business Management Headquarters</p> <p>Jan. 2005 General Manager of Corporate Planning Office and Compliance Office, Corporate Management Headquarters</p> <p>Feb. 2005 General Manager of Operation Management Office, Business Headquarters</p> <p>Jan. 2008 General Manager of Corporate Planning Office, Compliance Office and Web Business Promotion Office, Corporate Management Headquarters</p> <p>Jan. 2009 Managing Officer and General Manager of Corporate Planning Office, Compliance Office and Web Business Promotion Office, Corporate Management Headquarters</p> <p>Mar. 2013 Director, Managing Officer, and General Manager of Corporate Planning Office and Compliance Office, Corporate Management Headquarters</p> <p>Apr. 2014 Director, Executive Managing Officer, and General Manager of Corporate Management Headquarters and Personnel & Administration Headquarters</p> <p>July 2014 Director, Executive Managing Officer, and General Manager of Corporate Management Headquarters</p> <p>Jan. 2017 Representative Director, President & Chief Operating Officer, and General Manager of Corporate Management Headquarters (current position)</p>	2,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Isao Iwata has been involved in sales, business planning, corporate planning, personnel and administration, corporate management, etc., is thoroughly familiar with all areas of the Company's business, and possesses extensive experience and advanced knowledge. As the current President and Representative Director, he has executed business from the position of Chief Executive Officer of the Company, appropriately performing his duties of deciding important matters concerning management and supervising business execution. Accordingly, the Company again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Susumu Saito (June 17, 1957) Reelection	<p>Apr. 1982 Joined the Company</p> <p>July 2003 General Manager of Men's Attire Sales Department, Osaka Office</p> <p>Jan. 2006 Assistant General Manager of Burberry Business Department, Business Headquarters</p> <p>Jan. 2009 Managing Officer and General Manager of Burberry Business Department, Business Headquarters</p> <p>Jan. 2013 Executive Managing Officer and General Manager of Distribution Management Business Department, Business Headquarters</p> <p>Mar. 2014 Director, Executive Managing Officer, and General Manager of Distribution Management Business Department, Business Headquarters</p> <p>July 2014 Director, Executive Managing Officer, and Vice Director-General of Business Headquarters, Sales Control</p> <p>Jan. 2015 Director, Senior Executive Managing Officer, Vice Director-General of Business Headquarters, Sales Control, and in charge of special mission (New Business Promotion in Osaka Office)</p> <p>Jan. 2017 Director, Senior Executive Managing Officer, and General Manager of Business Headquarters (current position)</p>	800
<p>[Reasons for nomination as candidate for Director]</p> <p>Susumu Saito has been involved in sales and possesses extensive experience and advanced knowledge as a corporate manager. As the current Director and General Manager of Business Headquarters, he has been performing his duties with his well-versed knowledge in the business of the Company, such as the promotion of the brand business of the Company and the expansion of business domains responding to diversified markets. Accordingly, the Company again nominated him as a candidate for outside Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Toru Arai (October 16, 1960) Reelection	Apr. 1983 Joined the Company July 2003 General Manager of Women's Attire Fifth Planning Department Feb. 2005 General Manager of Women's Burberry London Division, Burberry Business Department, Business Headquarters Jan. 2012 Managing Officer and Assistant General Manager of Burberry Business Department, Business Headquarters Jan. 2013 Managing Officer and General Manager of Burberry Business Department, Business Headquarters July 2015 Managing Officer and General Manager of Paul Stuart Business Department, Business Headquarters July 2016 Managing Officer and General Manager of Planning Management Business Department and Paul Stuart Business Department, Business Headquarters Jan. 2017 Executive Managing Officer and Vice Director- General of Business Headquarters, Planning Control Mar. 2017 Director, Executive Managing Officer and Vice Director-General of Business Headquarters, Planning Control (current position)	-
[Reasons for nomination as candidate for Director] Toru Arai has been involved in business planning and possesses extensive experience and advanced knowledge. As the current Director and Vice Director-General of Business Headquarters, Planning Control of the Company, he has performed his duties with his well-versed knowledge in the business of the Company, such as the promotion of brand business and the expansion of business domains responding to diversified markets. Accordingly, the Company again nominated him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;">Masayuki Nakayama (June 15, 1961)</p> <p style="text-align: center;">New election</p>	<p>Apr. 1984 Joined the Company</p> <p>July 2003 General Manager of Men's Attire Third Planning Department</p> <p>Feb. 2004 General Manager of Men's Burberry London Division, First Business Department</p> <p>Feb. 2005 General Manager of Men's Burberry London Division, Burberry Business Department, Business Headquarters</p> <p>Jan. 2006 General Manager of Operation Office, Men's Attire Business Department, Business Headquarters</p> <p>Jan. 2008 General Manager of Paul Stuart Division, Men's Attire Business Department, Business Headquarters</p> <p>July 2012 General Manager of Men's Attire Planning Department, Product Planning Management Business Department, Business Headquarters</p> <p>July 2014 General Manager of Men's Attire Business Department, Business Headquarters</p> <p>July 2016 General Manager of Men's Attire Planning Department, Planning Management Business Department, Business Headquarters</p> <p>Jan. 2017 Managing Officer and General Manager of Personnel & Administration Headquarters and Administration Department</p> <p>Mar. 2018 Executive Managing Officer and General Manager of Personnel & Administration Headquarters (current position)</p>	-
<p>[Reasons for nomination as candidate for Director]</p> <p>Masayuki Nakayama has been involved in business planning, business management and personnel and administration, and possesses extensive experience and advanced knowledge. As the current General Manager of Personnel & Administration Headquarters, he has performed his duties with his well-versed knowledge of the restructuring of the Company, centered on the formulation of new personnel systems and the reformation of work styles. Accordingly, the Company nominated him as a new candidate for Director.</p>			
5	<p style="text-align: center;">Kiyoto Matsuda (September 6, 1952)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1975 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Apr. 2002 Executive Officer of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>Apr. 2004 Executive Managing Officer</p> <p>Apr. 2007 Deputy President of Mizuho Securities Co., Ltd.</p> <p>Apr. 2008 Partner of Unison Capital, Inc. (current position)</p> <p>Mar. 2010 Director of the Company (current position)</p> <p>June 2017 Outside Director of SCSK Corporation (current position)</p>	-
<p>[Reasons for nomination as candidate for outside Director]</p> <p>Kiyoto Matsuda possesses extensive experience and broad knowledge as a corporate manager in areas such as finance and monetary affairs, and contributed to the improvement of transparency and objectivity of the management of the Company based on his experience. Accordingly, the Company again nominated him as a candidate for outside Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
6	Masahide Yano (October 24, 1948) Reelection Outside Independent	Apr. 1971	Joined Mitsubishi Corporation	-
		Apr. 2004	Senior Vice President and Division COO of Textiles Division	
		Apr. 2006	Executive Vice President, Group COO of Living Essentials Group, and Division COO of Life Style Division	
		Apr. 2010	Senior Executive Vice President and Group CEO of Living Essentials Group, Regional Strategy (Japan)	
		June 2010	Member of the Board and Senior Executive Vice President	
		Apr. 2011	Member of the Board, Senior Executive Vice President, Regional CEO of East Asia, President of Mitsubishi Corporation China Co., Ltd., and General Manager of Beijing Office	
		June 2013	Corporate Adviser of Mitsubishi Corporation	
		Mar. 2016	Director of the Company (current position)	
[Reasons for nomination as candidate for outside Director] Masahide Yano has extensive experience and broad knowledge as a corporate manager and contributed to the improvement of transparency and objectivity of the management of the Company based on his experience. Accordingly, the Company again nominated him as a candidate for outside Director.				
7	Motoyoshi Shiina (August 12, 1949) Reelection Outside Independent	Apr. 1973	Joined Mitsui & Co., Ltd.	-
		May 1999	General Manager of Textile & Fashion Division I, Textile & Fashion Unit	
		Mar. 2003	President of Mitsui & Co. Italia S.p.A.	
		Oct. 2005	Deputy Chief Operating Officer of Lifestyle Business Unit of Mitsui & Co., Ltd.	
		Apr. 2006	Deputy Chief Operating Officer of Foods & Retail Business Unit	
		Apr. 2008	Executive Managing Officer of Mikuni Coca-Cola Bottling Co., Ltd.	
		Mar. 2009	Representative Director and President	
		Mar. 2017	Director of the Company (current position)	
[Reasons for nomination as candidate for outside Director] Motoyoshi Shiina has extensive experience and broad knowledge as a corporate manager and contributed to the improvement of transparency and objectivity of the management of the Company based on his experience. Accordingly, the Company again nominated him as a candidate for outside Director.				

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Masayuki Nakayama is a new candidate for Director.
 3. Kiyoto Matsuda, Masahide Yano, and Motoyoshi Shiina are currently outside Directors of the Company. At the conclusion of this meeting, their tenures as outside Directors will have been eight years for Kiyoto Matsuda, two years for Masahide Yano, and one year for Motoyoshi Shiina.
 4. Kiyoto Matsuda, Masahide Yano, and Motoyoshi Shiina are candidates for outside Director.
 5. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with candidates Kiyoto Matsuda, Masahide Yano, and Motoyoshi Shiina to limit their liability for damages as outside Directors to the extent stipulated by laws and regulations. If their reappointment is approved at this meeting, the Company plans to renew the respective agreements with each of them.
 6. The Company has submitted a notification to Tokyo Stock Exchange, Inc. that candidates Kiyoto Matsuda, Masahide Yano, and Motoyoshi Shiina have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection is approved at this meeting, the Company plans for their appointment as independent officers to continue.

Proposal No. 3 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Mikio Nakamura will resign at the conclusion of this meeting. In this regard, the Company proposes the election of one new Audit & Supervisory Board Member.

In addition, 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, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p>Rokuichi Ito (June 21, 1961)</p> <p>New election</p>	<p>Apr. 1984 Joined the Company</p> <p>July 2003 General Manager in charge of Human Resources Department, Personnel & Administration Headquarters</p> <p>Feb. 2004 General Manager of Human Resources Department, Personnel & Administration Headquarters</p> <p>July 2014 Managing Officer and Assistant General Manager of Accounting & Finance Headquarters</p> <p>Apr. 2015 Managing Officer, Assistant General Manager of Accounting & Finance Headquarters and General Manager of Accounting Department</p> <p>Jan. 2017 Managing Officer, Vice Director-General of Accounting & Finance Headquarters and General Manager of Accounting Department</p> <p>Mar. 2018 Managing Officer and Commissioned to Accounting & Finance Headquarters (current position)</p>	<p>687</p>
<p>[Reasons for nomination as candidate for Audit & Supervisory Board Member]</p> <p>Rokuichi Ito has been involved in personnel, accounting and finance of the Company and possesses extensive business experience and insight. He also has knowledge and capabilities for exerting appropriate supervision and audit functions. Accordingly, the Company nominated him as a new candidate for Audit & Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. If the election of candidate Rokuichi Ito is approved at this meeting, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages as an Audit & Supervisory Board Member to the extent stipulated by laws and regulations.
 3. Rokuichi Ito is not a substitute Audit & Supervisory Board Member candidate to replace Mikio Nakamura, who will resign at the conclusion of this meeting.

Proposal No. 4 Election of One Substitute Audit & Supervisory Board Member

The Company requests approval for the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Takao Wada (January 1, 1947)</p> <p style="text-align: center;">Reelection Outside</p>	<p>Apr. 1969 Joined The Mitsubishi Bank, Ltd.</p> <p>June 1997 Director of The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>June 2000 Full-time Audit & Supervisory Board Member</p> <p>June 2003 Director and President of Diamond Capital Co. Ltd.</p> <p>Oct. 2005 Director and Chairman of Mitsubishi UFJ Capital Co., Ltd.</p> <p>June 2007 Full-time Audit & Supervisory Board Member of Mitsubishi Materials Corporation</p> <p>Mar. 2011 Audit & Supervisory Board Member of the Company</p> <p>Mar. 2015 Retired from office as an Audit & Supervisory Board Member</p> <p>Mar. 2017 Substitute Audit & Supervisory Board Member (current position)</p>	-

[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member]

Takao Wada possesses extensive experience and broad knowledge as a corporate manager in areas such as finance. Based on his experience, the Company decided that he is suitable for the office of its Audit & Supervisory Board Member, and nominated him as a substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the Audit & Supervisory Board fall below the number required by laws and regulations.

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Takao Wada is a candidate for substitute outside Audit & Supervisory Board Member.
 3. If candidate Takao Wada assumes the office of Audit & Supervisory Board Member, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages as an outside Audit & Supervisory Board Member to the extent stipulated by laws and regulations.