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(Stock Exchange Code 2670)

May 15, 2017

To Shareholders with Voting Rights:

Minoru Noguchi, President and Representative Director
ABC-MART, INC.

1-11-5 Jinnan, Shibuya-ku, Tokyo

(Corporate Headquarters)

1-12-1 Dogenzaka, Shibuya-ku, Tokyo

NOTICE OF THE 32ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 32nd Annual General Meeting of Shareholders of ABC-MART, INC. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing. Please review the attached Reference Materials for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and send it so that it is received by 6:00 p.m. on Monday, May 29, 2017, Japan time.

- 1. Date and Time:** Tuesday, May 30, 2017 at 10:00 a.m. Japan time
(The reception desk is scheduled to open at 9:00 a.m.)
- 2. Place:** Maple Room 2F, Hotel Okura Tokyo
2-10-4, Toranomon, Minato-ku, Tokyo, Japan
(Please note that the meeting will be held in a different place from the previous year.)
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the Company's 32nd Fiscal Year (March 1, 2016 - February 28, 2017)
 2. Results of audits by the Accounting Auditor and Audit & Supervisory Committee of the Consolidated Financial Statements
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of 6 Directors (excluding Directors who are Audit & Supervisory Committee Members)
 - Proposal 3:** Election of 3 Directors who are Audit & Supervisory Committee Members

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - The following matters are posted on the Company's website (<http://www.abc-mart.co.jp/ir/>) in accordance with the laws and regulations and the provisions of Article 15 of the Articles of Incorporation and thus are not included in the documents of this notice: (1) Matters regarding the Accounting Auditor in the Business Report, (2) System to ensure the appropriateness of business operations and the operation status of the system in the Business Report, (3) Consolidated Statements of Changes in Equity, (4) Notes to Consolidated Financial Statements, (5) Non-Consolidated Statements of Changes in Equity, (6) Notes to Non-Consolidated Financial Statements.
Accordingly, the attached documents to this notice are part of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements that were audited by the Audit & Supervisory Committee and the Accounting Auditor in preparing the audit reports.
 - If there are any revisions to the Reference Materials for the General Meeting of Shareholders, Business Report, Non-Consolidated Financial Statements and Consolidated Financial Statements, the updated information will be posted on the Company's website (<http://www.abc-mart.co.jp/ir/>).

Reference Materials for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Matters regarding year-end dividend

The Company considers the return of profits to its shareholders as an important aspect of its management policy. The Company has adopted a basic policy to undertake dividend payments taking into consideration the Company's performance, while enhancing profitability and strengthening its financial position.

In accordance with the basic policy, the Company intends to pay a year-end dividend of 60 yen per share for the 32nd fiscal year, as initially planned. This amount was determined by taking into consideration the Company's business performance for the business term under review, future business operations and other related factors.

(1) Category of dividend assets:

Cash

(2) Matters relating to the allocation of dividend assets and the total amount of such allocation:

Year-end dividends of 60 yen per share of the Company's common stock

The total amount of dividends: 4,951,921,380 yen

With the interim dividend of 60 yen per share already paid out, the annual dividend amounts to 120 yen per share for the business term under review.

(3) Date on which the dividends from surplus will take effect:

May 31, 2017

Proposal 2: Election of 6 Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all 6 Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 6 Directors (excluding Directors who are Audit & Supervisory Committee Members) is proposed.

Moreover, this proposal has been considered by the Audit & Supervisory Committee, but no opinion was expressed.

The candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
1	Minoru Noguchi (December 6, 1965)	April 1988 Joined Shachihata Tokyo Shoji Co., Ltd. (currently Shachihata Inc.)	62,000
		April 1991 Joined the Company	
		June 2000 Director, Sales Department Manager of the Company	
		March 2004 Managing Director, Sales Department Manager of the Company	
		March 2007 President and Representative Director of the Company (to present)	
		[Significant concurrent positions]	
		-	
		[Reason for selecting the candidate]	
		Since he joined the Company, he has belonged to the sales section. In 2000, he became involved in management as Director and Sales Department Manager under the motto of “viewpoint of the frontline.” In 2007, he was appointed as President and Representative Director and significantly contributed to the development and growth of the Company’s group through his strong leadership. He has been selected as a candidate for Director because he is expected to be able to continuously perform his responsibilities as Chief Executive Officer.	
2	Yukie Yoshida (May 10, 1956)	April 1979 Joined Ibarakimokuzai Sogo Ichiba Co., Ltd.	50,000
		June 1989 Joined the Company	
		March 1998 Director, Accounting Department Manager of the Company	
		March 2004 Managing Director of the Company	
		January 2015 Managing Director, in charge of finance & accounting of the Company (to present)	
		[Significant concurrent positions]	
		-	
		[Reason for selecting the candidate]	
		Since she joined the Company, she has been engaged in the financial and accounting operation over many years. She became involved in management as Director in 1998. She contributed to the construction of a sound financial foundation and conducting appropriate financial reporting in the course of the growth of the Company’s group through listing on the stock market. She has been selected as a candidate for Director because she is expected to be able to continuously perform her responsibilities due to her abundant experience and past achievements.	

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
3	Kiyoshi Katsunuma (July 6, 1963)	October 1992 Joined AMIX Co., Ltd. December 1996 Joined the Company May 2007 Director, Sales Promotion Department Manager of the Company April 2009 Director in charge of personnel strategy of the Company January 2015 Director in charge of general affairs & personnel and public relations of the Company February 2016 Director in charge of sales & store development of the Company (to present)	30,000
		[Significant concurrent positions] -	
		[Reason for selecting the candidate] Since he joined the Company, he has been engaged in the advertisement field, which is a pillar of the Company's growth strategy. In 2007, he became involved in management as Director and Sales Promotion Department Manager. In 2009, he took charge of personnel strategy and contributed to the expansion of employment and personnel development, while multi-store operation was accelerating. Since 2016, he has been in charge of store development and sales to build a new growth strategy. He has been selected as a candidate for Director because he is expected to be able to continuously perform his responsibilities due to his abundant experience and past achievements.	
4	Jo Kojima (November 1, 1967)	April 1990 Joined Japan Bond Trading Co., Ltd. September 1996 Joined the Company October 2001 Corporate Planning Office Manager of the Company May 2007 Director, Corporate Planning Office Manager of the Company September 2015 Director in charge of general affairs & personnel, Corporate Planning Office Manager, IT & EC Department Manager of the Company (to present)	4,500
		[Significant concurrent positions] -	
		[Reason for selecting the candidate] Since he joined the Company, he has been engaged in the listing on the stock market and IR operations as a person responsible for management planning. His roles include the planning of business strategy and system construction of the Company's group. In 2007, he became involved in management as Director. Since 2015, he has concurrently served as IT & EC Department Manager to promote the expansion of online business and has been in charge of general affairs & personnel to strengthen the Company's internal control system. He has been selected as a candidate for Director because he is expected to be able to continuously perform his responsibilities due to his abundant experience and past achievements.	
5	Takashi Kikuchi (September 4, 1968)	April 1989 Joined Boutique TAKEO NISHIDA May 1991 Joined the Company May 2009 Director, Design and Product Development Department Manager of the Company January 2015 Director in charge of design and product development & sales promotion of the Company (to present)	3,000
		[Significant concurrent positions] -	
		[Reason for selecting the candidate] Since he joined the Company, he has been engaged in product development over many years including the period when the Company had been an import and wholesale trading company for shoe products, which was the forerunner of the Company. He played a role in conveying overseas trends to the Japanese market. In 2009, he became involved in management as Director and Design and Product Development Department Manager. Since 2015, he has been in charge of design and product development and sales promotion to strengthen the product brand. He has been selected as a candidate for Director because he is expected to be able to continuously perform his responsibilities due to his abundant experience and past achievements.	

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
6	Kiichiro Hattori (August 13, 1974)	December 1999 Joined the Company	200
		February 2008 Design and Product Development Department Production Control Team of the Company	
May 2014 Director in charge of international trading & international public relations of the Company			
January 2015 Director in charge of international trading & international public relations and production control of the Company (to present)			
		[Significant concurrent positions]	
		-	
	[Reason for selecting the candidate] Since he joined the Company, he has been engaged in the control of overseas merchandise production and overseas PR operations. In 2014, he became involved in management as Director to expand and promote the overseas business in Asia and the U.S. His roles include conducting negotiations regarding overseas business development and providing support to overseas subsidiaries. He has been selected as a candidate for Director because he is expected to be able to continuously perform his responsibilities due to his abundant experience and past achievements.		

(Note) There are no special interests between each candidate and the Company.

Proposal 3: Election of 3 Directors who are Audit & Supervisory Committee Members

At the conclusion of this Annual General Meeting of Shareholders, the terms of office of all 3 Directors who are Audit & Supervisory Committee Members will expire. Accordingly, the election of 3 Directors who are Audit & Supervisory Committee Members is proposed. The Audit & Supervisory Committee has previously given its consent to this proposal.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
1	Yutaka Hayashi (December 20, 1948)	April 1968 Joined Hayashi Seimenjo Limited Partnership Company May 1991 Corporate Auditor of the Company May 2015 Director (Audit & Supervisory Committee Member) of the Company (to present)	10,000
		[Significant concurrent positions] -	
[Reason for selecting the candidate] After assuming office as an Outside Corporate Auditor in 1991, Mr. Yutaka Hayashi has provided advice and guidance mainly in regard to the administration of store operations. Considering his achievements and experience as a Corporate Auditor, the Company has selected him as a candidate for Director who is an Audit & Supervisory Committee Member because he is judged to be able to perform his duties properly as an Outside Director.			
2	Tadashi Matsuoka (May 15, 1949)	April 1974 Joined Tsukiboshi Kasei Kabushiki Kaisha (currently MoonStar Company) April 2008 Converse Footwear Co., LTD. Director, Sales Department General Manager May 2016 Director (Audit & Supervisory Committee Member) of the Company (to present)	-
		[Significant concurrent positions] -	
[Reason for selecting the candidate] He has been involved in the shoe industry over many years. He is knowledgeable about the commercial environment and business details in which the Company's group operates. Considering this point, the Company has selected him as a candidate for Director who is an Audit & Supervisory Committee Member because he is judged to be able to express appropriate opinions from a fair and objective standpoint to the Board of Directors with regard to Directors' performance of duties.			
3	Taio Sugahara (February 28, 1964)	April 1987 Joined Fuji Xerox Co., Ltd. July 1999 Established ProMotion Co., Ltd., President & CEO (to present) May 2016 Director (Audit & Supervisory Committee Member) of the Company (to present)	-
		[Significant concurrent positions] ProMotion Co., Ltd., President & CEO	
[Reason for selecting the candidate] He has operated a personnel and consulting company over many years. Considering his expertise about management and abundant experience on personnel development, the Company has selected him as a candidate for Director who is an Audit & Supervisory Committee Member because he is judged to be able to express appropriate opinions from a fair and objective standpoint to the Board of Directors with regard to Directors' performance of duties.			

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara are candidates for Outside Directors.
3. After Mr. Yutaka Hayashi assumed office as an Outside Corporate Auditor on May 31, 1991, he held the office for 24 years. After the transition on May 27, 2015, to a company with an Audit & Supervisory Committee, he assumed office as an Outside Director (Audit & Supervisory Committee Member) and his tenure as an Outside Director will be two years at the conclusion of this Annual General Meeting of Shareholders. Mr. Tadashi Matsuoka and Mr. Taio Sugahara assumed office as Outside Directors (Audit & Supervisory Committee Members) on May 26, 2016, and their tenure as Outside Directors will be one year at the conclusion of this Annual General Meeting of Shareholders.
4. Independence of candidate for Outside Director
 - (1) Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara have never been a business operator or an officer of the Company or its subsidiaries. The three are neither a business operator or an officer of a parent company, etc., of the Company, nor have they been during the last five years.
 - (2) Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara are neither a business operator or an officer of an entity that has a specified relationship with the Company, nor have they been during the last five years.
 - (3) Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara will neither receive a large amount of money or other properties from the Company or an entity that has a specified relationship with the Company, nor have they done so during the last two years.
 - (4) Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara are neither the spouse of, nor are they relatives within three degrees related to, a business operator or an officer of the Company or an entity that has a specified relationship with the Company, nor are they in a position incidental thereto.
5. The Company designated Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara as Independent Officers and reported this designation to the Tokyo Stock Exchange. If their reelection is approved at this meeting, the Company plans to continuously designate each of them as an Independent Officer.
6. The Company has entered into limited liability agreements with Mr. Yutaka Hayashi, Mr. Tadashi Matsuoka and Mr. Taio Sugahara, pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act. If they are reelected, the Company plans to continue the said agreements with them. The minimum amount of liability pursuant to the agreement will be the amount stipulated in Article 425, Paragraph (1) of the Companies Act.

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