

Securities code: 2659

May 8, 2018

To our shareholders:

Tessei Uechi
President, Chief Executive Officer
SAN-A CO., LTD.
7-2-10, Oyama, Ginowan-City, Okinawa

Notice of the 48th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 48th Ordinary General Meeting of Shareholders of SAN-A CO., 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. Please indicate your approval or disapproval for each proposal on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it to us to arrive no later than Wednesday, May 23, 2018, at 6:00 p.m. (JST).

- 1. Date and Time:** Thursday, May 24, 2018, at 10:00 a.m. (JST)
(Doors open at 9:00 a.m.)
- 2. Venue:** Hagoromo-no-Ma, 2nd floor, Laguna Garden Hotel
4-1-1, Mashiki, Ginowan-City, Okinawa

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 48th fiscal year (from March 1, 2017 to February 28, 2018), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 48th fiscal year (from March 1, 2017 to February 28, 2018)

Matters to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Six (6) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

- When you attend the Meeting, you are kindly requested to present the enclosed voting form at the reception. We would appreciate it if you could arrive at the meeting venue a little early as the reception will be extremely crowded immediately before the opening of the Meeting.
- Of the attached documents to this Notice, the “Notes to the Consolidated Financial Statements” and the “Notes to the Non-consolidated Financial Statements” are posted via the Internet on the Company’s website (<http://www.san-a.co.jp/>) pursuant to the provisions of laws and regulations and Article 14 of the Company’s Articles of Incorporation. Accordingly, they are not provided in the attached documents to this Notice.

Also, the Consolidated Financial Statements and Non-consolidated Financial Statements, which were audited by the Audit and Supervisory Committee when preparing the audit report and by the Financial Auditor when preparing the financial audit report, contain not only the information provided in the attached documents to this Notice, but also the matters that require disclosure in the “Notes to the Consolidated Financial Statements” and the “Notes to the Non-consolidated Financial Statements.”

- If any changes are made to the attached documents to this Notice (the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements) or to the Reference Documents for the General Meeting of Shareholders, such changes will be posted on the Company’s website (<http://www.san-a.co.jp/>).

(The above-mentioned information is only available in Japanese.)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company recognizes the appropriate return of profit to shareholders as an important management priority. The Company's basic policy is to provide a stable return of profit, in accordance with the economic conditions, industry trends, progress of business performance and other factors, while taking into account the enhancement of profitability of Company's business and its financial standing over the medium- to long-term. Based on such policy, and in consideration of the future business development and other factors, the Company proposes the payment of year-end dividends and other appropriation of surplus as follows:

1. Matters regarding the year-end dividends

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and total amount thereof

The Company proposes a dividend of ¥50 per common share of the Company.

The total amount of dividends will be ¥1,598,169,850.

(3) Effective date of dividends of surplus

May 25, 2018

2. Matters regarding the other appropriation of surplus

(1) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥8,800,000,000

(2) Item of surplus to be increased and amount of increase

General reserve: ¥8,800,000,000

Proposal No. 2: Election of Six (6) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

At the conclusion of this meeting, the terms of office of all six (6) Directors (excluding Directors serving on the Audit and Supervisory Committee) will expire. Therefore, the Company proposes the election of six (6) Directors (excluding Directors serving on the Audit and Supervisory Committee). Also, the Audit and Supervisory Committee has expressed the opinion that, in regard to this proposal, there are no matters that need to be stated at the General Meeting of Shareholders.

The candidates for Directors (excluding Directors serving on the Audit and Supervisory Committee) are as follows:

Candidate 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	Joji Orita (Oct. 14, 1948)	June 1983 Joined the Company Jan. 1984 Director, Manager of President Office Feb. 1987 Senior Managing Director Aug. 1994 Vice President and Director Feb. 1995 Chairman, Chief Executive Officer (current position) (Significant Concurrent Positions Outside the Company) Vice President, Nihon Ryutsu Sangyo Co., Ltd.	2,033,240 shares
Reelection	[Reasons for nomination as candidate for Director] Joji Orita has been involved in the Company's management for many years and possesses abundant experience and extensive knowledge gained as a corporate manager, which has included serving as the Chairman and Chief Executive Officer of the Company since February 1995. Accordingly, the Company has once again nominated him as a candidate for Director.		
2	Tessei Uechi (Dec. 30, 1949)	Dec. 1970 Joined the Company June 1977 General Manager in charge of Clothing Dept Apr. 1978 Director, General Manager of Clothing Dept May 1984 Director, General Manager of Foodstuffs & Groceries Dept Feb. 1987 Executive Director May 1992 Senior Managing Director May 1994 Vice President and Director Feb. 1995 President, Chief Executive Officer (current position) (Significant Concurrent Positions Outside the Company) President, Chief Executive Officer, SAN-A Urasoe West Coast Development Co., Ltd.	227,404 shares
Reelection	[Reasons for nomination as candidate for Director] Tessei Uechi has been involved in the Company's management for many years and possesses abundant experience and extensive knowledge gained as a corporate manager, which has included serving as the President and Chief Executive Officer of the Company, since February 1995, and concurrently serving as the Chief Executive Officer of a Group subsidiary. Accordingly, the Company has once again nominated him as a candidate for Director.		

Candidate 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 <u>Reelection</u>	Atsushi Nakanishi (Dec. 14, 1960)	Mar. 1989	Joined the Company	74,628 shares
		Oct. 1992	General Manager of Restaurant Dept	
		May 1993	Executive Director	
		Feb. 1995	Senior Managing Director	
		Aug. 2004	Senior Managing Director in charge of marketing	
		May 2013	Senior Managing Director in charge of marketing (excluding Electrical Appliance Dept and Market Planning Dept)	
		Feb. 2014	Senior Managing Director (in charge of Foodstuffs & Groceries Dept, Restaurant Dept, Development Dept, Food Processing Center and Quality Control Office) (current position)	
[Reasons for nomination as candidate for Director] Atsushi Nakanishi has served as a Director of the Company, mainly in charge of marketing, since May 1993 and possesses abundant experience and extensive knowledge regarding the areas of marketing, product planning, and store development. Accordingly, the Company has once again nominated him as a candidate for Director.				
4 <u>Reelection</u>	Yasuhiro Imanaka (May 4, 1964)	Apr. 1989	Joined the Company	76,434 shares
		June 1993	General Manager of Human Resource Dept	
		Feb. 1995	Director, General Manager of Human Resource Dept	
		Sept. 1997	Director, General Manager of Human Resource Dept and General Affair Dept	
		Apr. 1999	Director, General Manager of Human Resource Dept	
		Mar. 2004	Director	
		Mar. 2009	Director, General Manager of General Affair Dept	
		May 2009	Director, General Manager of General Affair Dept (in charge of risk management)	
		May 2013	Executive Director (in charge of management, compliance and risk management) (current position)	
[Reasons for nomination as candidate for Director] Yasuhiro Imanaka has served as a Director of the Company, mainly in charge of management, since February 1995 and possesses abundant experience and extensive knowledge regarding all aspects of management. Accordingly, the Company has once again nominated him as a candidate for Director.				

Candidate 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
5 <u>Reelection</u>	Kentaro Arashiro (Nov. 15, 1968)	Apr. 1992	Joined the Company	11,700 shares
		Dec. 1995	General Manager of Electrical Appliance Dept	
		May 2007	Director, General Manager of Electrical Appliance Dept	
		Sept. 2012	Director, General Manager of Electrical Appliance Dept and General Manager of Sales Promotion Planning Dept	
		May 2013	Executive Director (in charge of electrical appliance and sales promotion planning)	
		Feb. 2014	Executive Director in charge of marketing (in charge of Clothing Dept, Drugs Dept, Electrical Appliance Dept, Market Planning Dept and Internet Sales Dept) (current position)	
[Reasons for nomination as candidate for Director] Kentaro Arashiro has served as a Director of the Company, mainly in charge of marketing, since May 2007 and possesses abundant experience and extensive knowledge regarding the areas of marketing, product planning, and market planning. Accordingly, the Company has once again nominated him as a candidate for Director.				
6 <u>Reelection</u>	Masahito Tasaki (Mar. 7, 1963)	Apr. 1989	Joined the Company	21,000 shares
		Aug. 2007	General Manager of Foodstuffs & Groceries Dept	
		May 2011	Director, General Manager of Foodstuffs & Groceries Dept (current position)	
[Reasons for nomination as candidate for Director] Masahito Tasaki has served as a Director of the Company and the General Manager of Foodstuffs & Groceries Dept since May 2011 and possesses abundant experience and extensive knowledge regarding the areas of marketing and product planning. Accordingly, the Company has once again nominated him as a candidate for Director.				

(Note) There is no special interest between each candidate and the Company.