

To our shareholders:

Eigo Nosaka, President & CEO
Treasure Factory Co., LTD.
3 Kandaneibeicho, Chiyoda-ku, Tokyo

Notice of Convocation of the 23rd Ordinary General Meeting of Shareholders

You are cordially invited to attend the 23rd Ordinary General Meeting of Shareholders of the Company.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting Shareholders first, then exercise your voting rights by indicating approval or disapproval of each agenda item on the enclosed voting rights exercise form, and return it so that it reaches us no later than 5:00 p.m. on Monday, May 21, 2018.

- 1. Date and time:** 10:00 a.m., Tuesday, May 22, 2018
(Reception will open at 9:00 a.m.)
- 2. Venue:** Room B in sola city Conference Center on the 1st floor of Ochanomizu sola city
4-6 Kandasurugadai, Chiyoda-ku, Tokyo
The meeting will take place at a different venue from the previous year. Before you come to the meeting, please make sure of the venue by seeing the access map for the venue of the General Meeting of Shareholders included at the end of this notice.

3. Matters constituting the purpose of the meeting:

Matters to report:

1. Reports on contents of the Business Report for the 23rd period (from March 1, 2017 to February 28, 2018) and Consolidated Financial Statements, and reports on audit results of Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors
2. Reports on contents of Financial Statements for the 23rd period (from March 1, 2017 to February 28, 2018)

Matters for resolution:

- Agenda Item No. 1:** Dividend of Surplus
Agenda Item No. 2: Partial Amendments to the Articles of Incorporation
Agenda Item No. 3: Election of One Director
Agenda Item No. 4: Election of One Substitute Auditor

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1. If you attend the meeting in person, please submit the enclosed voting rights exercise form to the receptionist.
 2. Pursuant to the provisions of relevant laws and regulations and Article 18 of the Articles of Incorporation, the following items are posted on the Internet at the Company's Japanese-language website (URL: <http://www.treasurefactory.co.jp/>) and therefore are not included in this Notice of Convocation.
 - (1) Status of accounting auditors
 - (2) Framework for ensuring the appropriateness of operations and the summary of its operational status
 - (3) Consolidated Statement of Changes in Equity and Statement of Changes in Equity
 - (4) Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements

The items listed under (1) to (4) above are part of the Business Report, Consolidated Financial Statements and Financial Statements audited by auditors for preparing an Audit Report. The items listed under (3) and (4) are part of the Consolidated Financial Statements and Financial Statements audited by accounting auditors for preparing an Accounting Audit Report.
 3. If any revisions are made to the Reference Documents for the General Meeting of Shareholders, Business Report, Financial Statements, and Consolidated Financial Statements are made, such revisions will be posted on the Internet at the Company's website (URL: <http://www.treasurefactory.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Agenda Item No. 1: Dividend of Surplus

The Company proposes to pay 8 yen per share as the year-end dividend for the 23rd period in order to reward shareholders' support.

Matters concerning year-end dividend

- 1) Dividend asset
Cash
- 2) Matters concerning allocation of dividend to shareholders and total amount
8 yen per common share of the Company
Total dividend: 90,232,552 yen
- 3) Effective date of dividend of surplus
May 23, 2018

Agenda Item No. 2: Partial Amendments to the Articles of Incorporation

1. Reason for proposing amendments

In order to respond to the future expansion and diversification of business scope, the Company proposes to add items concerning the business purpose to Article 2 (Purpose) of the Articles of Incorporation.

2. Details of amendments

Details of amendments are as follows.

(Underlined part indicates amendments)

Current Articles of Incorporation	Proposed Amendments
(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) – (3) (Omitted) (New) (<u>4</u>) – (<u>28</u>) (Omitted)	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) – (3) (Unchanged) (<u>4</u>) <u>Import, export and trade of food, drinks, and alcohol</u> (<u>5</u>) – (<u>29</u>) (Unchanged)

Agenda Item No. 3: Election of One Director

The term of office of Director Kumiko Miyamoto will expire at the close of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes that one Director be elected.

The Director candidate is as follows.

Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Significant concurrent positions)	Number of Company's shares held
Kumiko Miyamoto (March 1, 1970)	<p>April 2000 Registered as attorney Joined Torikai Law Office</p> <p>January 2008 Became Partner</p> <p>April 2011 External Auditor of Misawa & Co., Ltd.</p> <p>January 2016 Established Wadakura Gate Law Office as Managing Partner (Incumbent)</p> <p>May 2016 Director of the Company (Incumbent)</p> <p>July 2016 Outside Director of BEAUTY GARAGE Inc. (Audit and Supervisory Committee Member) (Incumbent)</p> <p>December 2016 External Auditor of INTERTRADE Co., Ltd. (Incumbent)</p> <p>April 2017 External Director of Misawa & Co., Ltd. (Audit and Supervisory Committee Member) (Incumbent)</p>	0 share

Notes:

1. There are no special conflicts of interest between the Company and the Director candidate.
2. Details of matters concerning External Director candidate
 - (1) Ms. Kumiko Miyamoto is an External Director candidate. The Company has designated her as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange and registered her as such with the exchange.
 - (2) The Company proposes to elect Ms. Miyamoto as an External Director candidate again on the grounds that she is a legal expert with many years of experience as an attorney, and that she will be able to use her extensive experience and knowledge for providing management supervision to the Company from a fair and objective perspective. Ms. Miyamoto has no experience of corporate management, other than serving as an outside officer in the past. However, based on the above reasons, the Company has determined that she can appropriately execute the duties as an External Director.
 - (3) Her tenure as an External Director will be two years at the close of this Ordinary General Meeting of Shareholders.
 - (4) Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with External Directors to limit their liability for damages; provided, however, that limit of the liability provided for in Article 423, Paragraph 1 of the said act shall be the greater of 2 million yen and the amount stipulated by laws and regulations. If the election of Ms. Miyamoto is approved, the Company will continue the said agreement with her.

(For reference)

Director selection and nomination procedures

(1)

In deciding the candidates for the Company's internal Director, the Company will comprehensively determine whether they have high-level management skills and expertise, etc. to contribute to achieving the Company's corporate philosophy and management policy as well as increasing the corporate value over the medium- to long-term, after which the Board of Directors will deliberate and decide on the candidates.

(2)

In deciding the candidates for the Company's External Director, the Company will comprehensively determine whether they have knowledge to contribute to the Company's management from a professional perspective, such as in management, legal, and financial accounting, and to fulfill their managerial and supervisory functions over the corporate management from an independent standpoint, after which the Board of Directors will deliberate and decide on the candidates.

Criteria for determining independence of External Directors

The Company selects its candidates for Independent External Director based on the independence criteria specified by the Tokyo Stock Exchange. In the actual selection process, the Board of Directors selects candidates who can express appropriate opinions based on extensive knowledge of management and their respective expertise and can contribute to the Company's management from an objective standpoint as an External Director.

Agenda Item No. 4: Election of One Substitute Auditor

The Company proposes that one Substitute Auditor be elected to prepare for a case in which the number of Auditors may fall short of the number stipulated by laws and regulations.

The result of the election of the Substitute Auditor shall be invalidated by a resolution of the Board of Directors with the consent of the Board of Corporate Auditors only if the resolution is adopted before the Substitute Auditor assumes the office.

The Board of Corporate Auditors has consented to this agenda item.

The Substitute Auditor candidate is as follows.

Name (Date of birth)	Brief career summary (Significant concurrent positions)		Number of Company's shares held
Akira Noguchi (July 29, 1951)	June 1977	Joined Nakamura Home Electronics Sales Co., Ltd.	0 share
	December 1984	Established a home electronics sales and repair shop	
	September 1990	Established Keiyo Techno Limited (currently, Keiyo Techno Co., Ltd.) and assumed the position of President	
	August 2002	Reorganized Keiyo Techno Limited into Keiyo Techno Co., Ltd. and assumed the position of President (incumbent)	

(Notes)

1. The Substitute Auditor candidate has assumed the position of the President of Keiyo Techno Co., Ltd., with which the Company has a business transaction relationship involving interior finish work and building equipment installation work, etc.
2. Details of matters concerning the Substitute External Auditor
 - (1) Mr. Akira Noguchi is the Substitute External Auditor candidate.
 - (2) The Company proposes that Mr. Noguchi be elected in the expectation that he will be able to reflect his extensive experience and wide range of knowledge as a corporate manager in the audit operations of the Company.
 - (3) Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with External Auditors to limit their liability for damages; provided, however, that the limit of liability provided for in Article 423, Paragraph 1 of the said act shall be the greater of 2 million yen and the amount stipulated by laws and regulations. If the election of Mr. Noguchi is approved, the Company will conclude the said agreement with him.

(For reference)

Auditor selection and nomination procedures

In deciding auditor candidates, the Company will comprehensively determine, based on relevant laws and regulations and internal regulations, etc., whether they have the extensive experience and knowledge and high-level expertise to perform audit operations appropriately. After obtaining the approval from the Board of Corporate Auditors, the Board of Directors will then deliberate and decide on the candidates.