Note: If there is any inconsistency or conflict between English and Japanese versions of this information, the Japanese version shall prevail.

(Securities Code 3548)
April 9, 2018

To Shareholders with Voting Rights:

Hiroyuki Murai
Representative Director and President
Baroque Japan Limited
4-7-7 Aobadai, Meguro-ku,
Tokyo, Japan

NOTICE OF THE 19TH ANNUAL SHAREHOLDERS' MEETING

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

You are cordially invited to attend the 19th Annual Shareholders' Meeting of Baroque Japan Limited (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 Documents for the Shareholders' Meeting, indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form, and return it so that it is received by 7 p.m. on Tuesday, April 24, 2018 Japan time.

1. **Date and Time:** Wednesday, April 25, 2018 at 10 a.m. Japan time (reception will open at 9 a.m.)

2. **Venue:** B2F Ballroom, Cerulean Tower Tokyu Hotel
26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the Company's 19th Term (February 1, 2017 - January 31, 2018) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the Company's 19th Term (February 1, 2017 - January 31, 2018)

Proposals to be resolved:

Proposal No. 1: Partial Amendments to the Articles of Incorporation
Proposal No. 2: Election of Eight (8) Directors
Proposal No. 3: Payment of Retirement Bonus to Retiring Directors

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Reference Documents for the Shareholders' Meeting

Proposals and References

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the Proposed Amendments

For the following two purposes, the Company proposes to change its fiscal year to "a period of one year from March 1 of each year to the last day of February of the next year."

(1) In the apparel market, the trend of the actual demand winter season continuing from New Year's Day sales in January until February has settled. The Company aims to reconcile its business cycle with its fiscal year by optimizing inventory levels of winter products by the end of February through sales in this period of actual demand.

(2) The Company aims to enhance its dialogue with stakeholders by raising its comparability with other companies in the same industry that have fiscal year-ends in February.

In line with the abovementioned change in the fiscal year period, Articles 11, 12, 39 and 41 shall be amended as necessary.

In addition, supplementary provisions shall be newly established as a measure in line with the change in the fiscal year period.

2. Contents of the Amendments

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 3 Shareholders' Meeting	Chapter 3 Shareholders' Meeting
Article 11. (Convocation of Shareholders' Meeting) The Company shall convene an Annual Shareholders' Meeting in April of each year and convene Extraordinary Shareholders' Meetings as necessary.	**Article 11. (Convocation of Shareholders' Meeting)** The Company shall convene an Annual Shareholders' Meeting in May of each year and convene Extraordinary Shareholders' Meetings as necessary.
Article 12. (Record Date of Annual Shareholders' Meeting) The record date of voting rights of the Company's Annual Shareholders' Meeting shall be January 31 of each year.	**Article 12. (Record Date of Annual Shareholders' Meeting)** The record date of voting rights of the Company's Annual Shareholders' Meeting shall be the last day of February of each year.
Chapter 7 Accounts	Chapter 7 Accounts
Article 39. (Fiscal Year) The Company's fiscal year shall be from February 1 of each year to January 31 of the next year.	**Article 39. (Fiscal Year)** The Company's fiscal year shall be from March 1 of each year to the last day of February of the next year.

Current Articles of Incorporation	Proposed Amendments
Article 41. (Record Date of Distribution of Surplus) 1. The record date of the Company's year-end dividend shall be January 31 of each year. 2. The record date of the Company's interim dividend shall be July 31 of each year. 3. In addition to the previous two items, the distribution of surplus can be conducted by determining a record date. **(Newly established)**	**Article 41. (Record Date of Distribution of Surplus)** 1. The record date of the Company's year-end dividend shall be the last day of February of each year. 2. The record date of the Company's interim dividend shall be August 31 of each year. 3. In addition to the previous two items, the distribution of surplus can be conducted by determining a record date. **(Supplementary Provisions)** **Article 1.** Notwithstanding provision of Article 39 (Fiscal Year), the 20th fiscal year shall be the 13-month period from February 1, 2018 to February 28, 2019. This supplementary provision shall be deleted after the end of the 20th fiscal year. **Article 2.** Notwithstanding provisions of Article 41, Paragraph 2 (Record Date of Distribution of Surplus), the record date of the interim dividend for the 20th fiscal year shall be July 31, 2018. This supplementary provision shall be deleted after the end of the 20th fiscal year.

Proposal No. 2: Election of Eight (8) Directors

The terms of office of all eight (8) Directors currently in office will expire at the conclusion of this year's Annual Shareholders' Meeting. Accordingly, the election of eight (8) Directors is proposed.

The candidates for Directors are as follows.

No.	Name		Positions and responsibilities in the Company
1	Hiroyuki Murai	Reappointed	Representative Director, President and Chief Executive Officer
2	Akihito Fukasawa	Newly appointed	Managing Executive Officer General Manager, Global Business Division
3	Hideki Ikeuchi	Newly appointed	Managing Executive Officer Department Manager, Corporate Planning Office General Manager, Ecommerce Business Division
4	Fang Sheng	Reappointed Outside Director	Outside Director
5	Makoto Inoue	Reappointed Outside Director	Outside Director
6	Xiaoling Hu	Reappointed Outside Director	Outside Director
7	Kyosuke Shinozawa	Reappointed Outside Director Independent Director	Outside Director
8	Kunihisa Hama	Reappointed Outside Director Independent Director	Outside Director

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions, responsibilities, and significant concurrent positions	
1	**Hiroyuki Murai** Reappointed (July 26, 1961) 3,598,100 shares	Aug 1985	Joined Canon Inc.
		Apr 1994	President, KAI LUNG CONSULTANTS LIMITED
		Apr 1995	President, CENTURY GROW LIMITED
		Jul 1997	President, Hong Kong local subsidiary, Japan Air System Co., Ltd. (presently Japan Airlines Co., Ltd.); President, Hong Kong local subsidiary, JAS Trading Co., Ltd. (presently JALUX Inc.)
		Oct 2006	Representative Director and Chairman, Fakedelic Holdings Co., Ltd.
		Jan 2007	Managing Director, BAROQUE HK LIMITED
		Apr 2007	Representative Director, Chairman and President, Fakedelic Holdings Co., Ltd.; Representative Director and Chairman, Baroque Japan Limited (the former BJL)
		Feb 2008	Representative Director, President and Chief Executive Officer, the Company
		May 2009	Representative Director, Baroque (Shanghai) Trading Ltd. (to present)
		May 2013	Representative Director, President, Chief Executive Officer and Chief Operating Officer, the Company
		Sep 2013	Director, BAROQUE CHINA LIMITED; Managing Director (to present); Director, BAROQUE CHINA APPARELS LIMITED (to present); Director, Baroque (Shanghai) Clothing Ltd. (to present)
		Nov 2013	Representative Director, Baroque (Shanghai) Enterprise Development Ltd. (to present)
		Feb 2014	Representative Director, President and Chief Executive Officer, the Company (to present); Managing Director, FRAME LIMITED (to present)
		Feb 2015	Director and Chairman, BAROQUE HK LIMITED (to present)
		Apr 2016	Director, BAROQUE USA LIMITED (to present)
	Reasons for selection as a candidate for Director Mr. Hiroyuki Murai possesses rich expertise in the field of global business, including business in China, and has led the Group since he became the Company's representative, with a focus on expanding the global SPA business. Based on his track record, we request for his election as a Director of the Company.		

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions, responsibilities, and significant concurrent positions
2	**Akihito Fukasawa** Newly appointed (January 21, 1975) 116,000 shares	Mar 2001 Joined Fakedelic K.K. Mar 2005 Representative Director, Jackpot Production Co., Ltd. Feb 2008 Executive Officer, General Manager, SHEL'TTER Business Department, the Company Apr 2011 Senior Executive Officer, General Manager, SHEL'TTER Business Division, and General Manager, SHEL'TTER Business Department Jan 2014 Senior Executive Officer, General Manager, Outlet and Wholesale Business Department, and General Manager, Overseas Business Department Jul 2015 Senior Executive Officer, General Manager, Overseas Business Department, and Deputy General Manager, Sales Control Division Apr 2016 Director, BAROQUE USA LIMITED (to present) May 2017 Managing Executive Officer, Unit Manager, The Second Unit, and General Manager, Overseas Business Department, the Company Feb 2018 Managing Executive Officer, General Manager, Global Business Division (to present)
	Reasons for selection as a candidate for Director Since the Company's founding, Mr. Akihito Fukasawa has been involved in the fashion industry for many years, and was mainly in charge of promoting the Company's domestic and overseas apparel business as an Executive Officer. We believe that he can capitalize on his accumulated experience and track record to lead the Company's global business. Therefore, we request for his election as a Director.	

<table>
<tr><th>No.</th><th>Name
(Date of birth)
Number of shares of the Company held</th><th colspan="2">Career summary, positions, responsibilities, and significant concurrent positions</th></tr>
<tr><td rowspan="2">3</td><td>Hideki Ikeuchi

Newly appointed

(February 3, 1963)

96,000 shares</td><td>Jul 1990

Jan 2008

Feb 2008

Apr 2009

Apr 2010

May 2013

Feb 2014

Feb 2016

May 2017

Sep 2017

Feb 2018

</td><td>Joined Japan Air System Co., Ltd. (presently Japan Airlines Co., Ltd.)
General Manager, Human Resources and General Affairs Division, Baroque Japan Limited (the former BJL)
Executive Officer, General Manager, Human Resources and General Affairs Division, the Company
Director, Managing Executive Officer, and General Manager, Business Administration Division
Director, Chief Operating Officer, and General Manager, Production Division
Director, Senior Executive Officer, General Manager, Administration Division, Department Manager, Corporate Planning Office and General Manager, Overseas Business Department
Director, Senior Executive Officer, General Manager, New Business Development Division, and General Manager, SHEL'TTER Business Department
Executive Officer, Department Manager, Listing Preparation Office
Managing Executive Officer, Department Manager, Corporate Planning Office
Chief Operating Officer, Department Manager, Corporate Planning Office
Managing Executive Officer, Department Manager, Corporate Planning Office, and General Manager, Ecommerce Business Division (to present)</td></tr>
<tr><td colspan="3">Reasons for selection as a candidate for Director
Mr. Hideki Ikeuchi has years of experience of leading the business administration department, production and business departments in the Company, and it was deemed that he is a necessary talent for realizing the goal of raising corporate value. Therefore, we request for his election as a Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)
Number of shares of the Company held</th><th colspan="2">Career summary, positions, responsibilities, and significant concurrent positions</th></tr>
<tr><td rowspan="2">4</td><td>Fang Sheng

Reappointed
Outside Director

(November 11, 1972)

0 shares</td><td>Nov 1993
Nov 2005

May 2007
May 2011
Dec 2011

Apr 2013

Aug 2013
Sep 2013

Nov 2013</td><td>Shanghai Office, Gulf Semiconductor Ltd.
Regional Manager, Belle International Holdings Limited
Group SVP & Head of Eastern China Region
Executive Director (to present)
Deputy Chairman, Smile Charity Foundation (to present)
Adjunct Professor of Innovation and Entrepreneurship, Tongji University (to present)
Outside Director, the Company (to present)
Director, BAROQUE CHINA APPARELS LIMITED (to present);
Representative Director, Baroque (Shanghai) Clothing Ltd. (to present)
Director, Baroque (Shanghai) Enterprise Development Ltd. (to present)</td></tr>
<tr><td colspan="3">Reasons for selection as a candidate for Outside Director
In order for Mr. Fang Sheng to utilize his rich experience and extensive insight in corporate management in the management of the Company, we request for his election as an Outside Director. At the conclusion of this Annual Shareholders' Meeting, he will have served as an Outside Director for four years and eight months.</td></tr>
<tr><td rowspan="2">5</td><td>Makoto Inoue

Reappointed
Outside Director

(October 2, 1952)

0 shares</td><td>Apr 1975

Feb 2005
Jan 2006
Jun 2008

Jan 2009
Jun 2009
Jun 2010

Oct 2010
Jan 2011

Jan 2014

Jun 2014</td><td>Joined Orient Leasing Co., Ltd. (presently ORIX Corporation)
Executive Officer
Corporate Senior Vice President
General Manager, Overseas Business Control Division
General Manager, Global Business Division
Corporate Executive Vice President
Director and Executive Officer and Deputy President
Outside Director, the Company (to present)
Director and Representative Executive Officer, President, and COO, ORIX Corporation
Director and Representative Executive Officer, President, and Co-CEO
Director and Representative Executive Officer, President, and CEO (to present)</td></tr>
<tr><td colspan="3">Reasons for selection as a candidate for Outside Director
In order for Mr. Makoto Inoue to utilize his rich experience and extensive insight in corporate management in the management of the Company, we request for his election as an Outside Director. At the conclusion of this Annual Shareholders' Meeting, he will have served as an Outside Director for seven years and six months.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)
Number of shares of the Company held</th><th colspan="2">Career summary, positions, responsibilities, and significant concurrent positions</th></tr>
<tr><td rowspan="2">6</td><td>Xiaoling Hu

Reappointed
Outside Director

(August 5, 1970)

0 shares</td><td>Jul 1995

May 1999
Aug 2002

Sep 2005

Aug 2013
May 2015</td><td>Certified Public Accountant, Arthur Andersen & Co.
China International Capital Co. Limited
Managing Director, CDH Investments (to present)
Non-executive Director, Belle International Holdings Limited (to present)
Outside Director, the Company (to present)
Non-executive Director, Dali Foods Group Company Limited (to present)</td></tr>
<tr><td colspan="3">Reasons for selection as a candidate for Outside Director
In order for Ms. Xiaoling Hu to utilize her rich experience and extensive insight in corporate management in the management of the Company, we request for her election as an Outside Director. At the conclusion of this Annual Shareholders' Meeting, she will have served as an Outside Director for four years and eight months.</td></tr>
<tr><td rowspan="2">7</td><td>Kyosuke Shinozawa

Reappointed
Outside Director
Independent Director

(March 1, 1937)

0 shares</td><td>Apr 1960
May 1995
May 1998

Oct 1999

Jun 2001
Jan 2008

Apr 2009</td><td>Joined the Ministry of Finance
Administrative Vice Minister
Governor, The Overseas Economic Cooperation Fund, Japan
Executive Managing Director, Japan Bank for International Cooperation
Governor
President, Incorporated Foundation Capital Markets Research Institute (presently Public Interest Incorporated Foundation Capital Markets Research Institute) (to present)
Outside Director, the Company (to present)</td></tr>
<tr><td colspan="3">Reasons for selection as a candidate for Outside Director
Mr. Kyosuke Shinozawa has had a long career in the Ministry of Finance and in the field of international finance. In order for him to utilize his rich knowledge, experience, and extensive insight cultivated through his career in the management of the Company, we request for his election as an Outside Director. At the conclusion of this Annual Shareholders' Meeting, he will have served as an Outside Director for nine years.</td></tr>
</table>

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions, responsibilities, and significant concurrent positions
8	**Kunihisa Hama** Reappointed Outside Director Independent Director (December 2, 1934) 0 shares	Apr 1959 Appointed as a prosecutor Dec 1991 Director General, Criminal Affairs Bureau, Ministry of Justice Dec 1993 Vice-Minister of Justice Jan 1996 Superintending Prosecutor, Tokyo High Public Prosecutors Office Dec 1997 Registered as a lawyer Jun 1998 Outside Audit & Supervisory Board Member, MIROKU JYOHO SERVICE CO., LTD. Aug 2001 Outside Audit & Supervisory Board Member, YOMIURI LAND CO., LTD. (to present) Jun 2002 Outside Director, Japan Securities Depository Center, Incorporated Dec 2006 Chairperson, Compliance Committee, the Company (to present) Jun 2008 Outside Audit & Supervisory Board Member, YUKI GOSEI KOGYO CO., LTD.; External Director, NITTO BOSEKI CO., LTD. (to present) Jun 2010 Outside Audit & Supervisory Board Member, KAJIMA CORPORATION Aug 2013 Outside Audit & Supervisory Board Member, the Company Apr 2016 Outside Director (to present) Jun 2016 Outside Director, ENSUIKO SUGAR REFINING CO., LTD. (to present)
	Reasons for selection as a candidate for Outside Director Besides capitalizing on his rich experience and extensive insight in the legal field and in legal administration, we also hope Mr. Kunihisa Hama can utilize his experience as the Company's Outside Audit & Supervisory Member and Chairperson of the Company's Compliance Committee in the management of the Company. Accordingly, we request for his election as an Outside Director. Although he has never been directly involved in corporate management other than as an Outside Director, on top of his experience and insight, based on his track record since assuming the position of the Company's Outside Director, we have deemed that he is qualified to be an Outside Director of the Company who is responsible for continuously strengthening the corporate governance. At the conclusion of this Annual Shareholders' Meeting, he will have served as an Outside Director for two years.	

(Notes)
1. At the conclusion of this Annual Shareholders' Meeting, Mr. Seiki Nara and Mr. Hirofumi Yamazaki will resign from their positions as Directors due to expiration of their terms of office.
2. Mr. Fang Sheng is concurrently serving as the Executive Director of Belle International Holdings Limited, which indirectly controls a major shareholder of the Company, MUTUAL CROWN LIMITED. In addition, Baroque (Shanghai) Clothing Ltd., at which he serves as Representative Director is the Company's equity method associate, and there is a transactional relationship involving the use of the Company's brand trademark rights between said company and the Company.
3. Mr. Makoto Inoue is concurrently serving as the Director and Representative Executive Officer, President of ORIX Corporation, a major shareholder of the Company.
4. Ms. Xiaoling Hu is concurrently serving as the Managing Director of CDH Investments, which indirectly controls a major shareholder of the Company, CDH RUNWAY INVESTMENT (HK) LIMITED.
5. No significant transactions or other material interest exists between the Company and other corporations at which the other candidates concurrently serve.
6. In accordance with Article 27, Paragraph 2 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company can enter into an agreement with Directors

(excluding Executive Directors) to limit their liability for damages to the Company within a certain scope. Accordingly, the Company has entered into a liability limitation agreement with Mr. Fang Sheng, Mr. Makoto Inoue, Ms. Xiaoling Hu, Mr. Kyosuke Shinozawa and Mr. Kunihisa Hama, and the Company plans to continue the said agreement with each of them if their reelection is approved.

7. Mr. Kyosuke Shinozawa and Mr. Kunihisa Hama satisfy the requirements for independent directors based on the provisions of Tokyo Stock Exchange, Inc.

Proposal No. 3: Payment of Retirement Bonus to Retiring Directors

Mr. Seiki Nara and Mr. Hirofumi Yamazaki will resign from their positions as Directors at the conclusion of this Annual Shareholders' Meeting. The Company proposes to pay a retirement bonus of within 50 million yen in total to each of them as compensation for their contributions during their terms in office.

The specific amount of the bonus, timing of payment, method of payment and such shall be determined by the Board of Directors.

The career summaries of the two (2) retiring Directors are as follows.

Name	Career Summary	
Seiki Nara	Apr 2009 Jun 2011	Director, the Company Representative Director and Executive Vice President (to present)
Hirofumi Yamazaki	Apr 2015 Apr 2017	Director, the Company Senior Managing Director (to present)

(Appendix)

Business Report

(February 1, 2017 - January 31, 2018)

1. Overview of the Group

(1) Business in the Fiscal Year under Review

1) Business Progress and Results

During the fiscal year ended January 31, 2018, although domestic economy was recovering gradually, disposable income did not increase and personal spending was still weak.

Our Group's principal business is speciality store retailer of private label apparel (SPA). We have a balanced portfolio of brands to match the needs and lifestyles of different target customers, and to expand our business in Japan, China, Hong Kong and the United States markets.

For our domestic business, "SHEL'TTER PASS" membership point system was introduced for both our store and ecommerce businesses. This facilitated our digital marketing through mobile phones. We continued to revolutionize our product development, cost reduction, logistics and other supply chain management processes. "MOUSSY," "ENFÖLD," "STACCATO," "RIM.ARK" continued to perform well. "Adidas x MOUSSY" as well as "MOUSSY STUDIOWEAR" product lines were well received by customers. "ENFÖLD" introduced a resort line and obtained new customers. Our shoes brand "STACCATO" performed well in major department stores. "RIM.ARK" opened stores after consistently strong ecommerce performance in prior fiscal year.

AZUL BY MOUSSY, our Shopping Center brand with 133 stores in Japan, even though TV commercial was put in, number of customers dropped compared to prior fiscal year. Third-party ecommerce recorded growth, but in-house ecommerce sales dropped due to certain one-off problems happened when we introduced the new system. However, total ecommerce sales recorded growth.

Regarding our overseas business, we have been able to continue to expand our joint venture business mainly for MOUSSY in China with Belle International Holdings Limited. We were also able to grow our wholesale business through reputable department stores and fashion select stores in the United States.

As a result, as at January 31, 2018, we have 368 stores in Japan (direct-operated 277, franchise 91), and 9 stores overseas (direct-operated 1, franchise 8), totaling 377 stores. In addition, we have another 227 stores in China with our joint venture partner Belle International Holdings Limited.

Consolidated turnover is 67,952 million yen (2.2% decrease from prior fiscal year), operating profit is 2,556 million yen (52.4% decrease from prior fiscal year), recurring profit is 2,556 million yen (52.5% decrease from prior fiscal year), and net profit is 1,236 million yen (64.8% decrease from prior fiscal year).

(Turnover by Country)

Turnover and composition by country are as follows:

Country	For the fiscal year under review		Year on year (%)
	Turnover (million yen)	Composition (%)	
Japan	58,612	86.3	(5.7)
China	7,889	11.6	29.8
Hong Kong, Others	1,450	2.1	12.2

Total	67,952	100.0	(2.2)

2) Capital Investments

During the fiscal year under review, the Group made capital investments that amounted to a total of 1,334 million yen. The main investments are as follows:

Rental and guarantee deposits related to new store openings	130 million yen
Investments in store facilities related to new store openings and store renovations	641 million yen

3) Financing

Not applicable.

4) Business Transfers, Absorption-Type Splits and Incorporation-Type Splits

Not applicable.

5) Acceptance of Business Transfers from Other Companies

Not applicable.

6) Succession of Rights and Obligations Concerning Businesses of Other Corporations, Etc. due to Absorption-Type Mergers or Absorption-Type Splits

Not applicable.

7) Shares and Other Equity in Other Companies, Acquisition or Disposal of Subscription Rights to Shares, Etc.

Not applicable.

(2) Assets and Income

The assets and income of the Group are as follows:

Item	16th term (Year ended January 31, 2015)	17th term (Year ended January 31, 2016)	18th term (Year ended January 31, 2017)	19th term (Year ended January 31, 2018) (Fiscal year under review)
Turnover (million yen)	62,525	68,769	69,493	67,952
Net profit (loss) (million yen)	(2,340)	4,221	3,507	1,236
Earnings (loss) per share (yen)	(14,951.27)	134.85	108.37	34.51
Total assets (million yen)	24,018	28,298	38,459	41,317
Equity (million yen)	1,652	5,853	17,002	18,466
Net assets per share (yen)	8,521.45	176.30	465.68	488.43

(Notes) 1. Earnings (loss) per share is calculated using the average number of outstanding shares for the fiscal year.

2. Net assets per share is calculated using the total number of outstanding shares as of the end of the fiscal year.

3. The Company conducted a 200-for-one stock split of its common stock on August 26, 2016. Earnings per share is calculated based on the number of outstanding shares after the stock split, assuming the stock split occurred at the beginning of the 17th term.

(3) Significant Parent Companies and Subsidiaries

1) Relationship with Parent Companies
Not applicable.

2) Material Subsidiaries
Material subsidiaries of the Company as of the end of the fiscal year under review are as follows:

Company name	Capital	The Company's holding of voting rights	Principal businesses
BAROQUE HK LIMITED	HKD 257,000 thousand	100.0%	Import, export and sale of clothing, etc.
Baroque (Shanghai) Trading Ltd.	HKD 90,600 thousand	100.0% (100.0%)	Handling consigned business operations
BAROQUE CHINA LIMITED	HKD 26,000 thousand	51.0% (51.0%)	Investment company dealing with the business in China
Baroque (Shanghai) Enterprise Development Ltd.	CNY 20,000 thousand	51.0% (51.0%)	Procurement and sale of clothing, etc.
FRAME LIMITED	HKD 1	100.0% (100.0%)	Business development and trademark management
BAROQUE USA LIMITED	USD 2,900 thousand	100.0%	Sale of clothing, etc.

(Note) 1. Figures inside parentheses "( )" in "The Company's holding of voting rights" column refer to the percentages indirectly held by the Company, out of the Company's percentage of voting rights.

(4) Issues to be Addressed

Although the domestic economy is expected to gradually expand, uncertainty remains in foreign demand due to the trend of a strong yen. Regarding domestic demand, personal spending is expected to continue being uncertain in the future, stemming from concerns over a slowdown in the growth of disposable income due to the rise in commodity prices. Under such circumstances, the Group will work on improving profitability in the domestic business and continuing to expand the overseas business mainly in China.

1) Improving profitability in the domestic business
i) Initiatives to build sustainable customer relationships
In the domestic business, as a measure to counter the decrease in the number of purchasing customers in stores and on our ecommerce website, we will continue to work on building sustainable customer relationships by utilizing the abovementioned membership points service "SHEL'TTER PASS."
Specifically, we will integrate the membership data of "SHEL'TTER PASS" and those on our ecommerce system, and strengthen efforts to deliver information on recommended products or information on deals such as coupons that match the customer's preferences, based on the customer's purchase and browsing history information. Also, we will group customers according to their purchase frequency and purchased amount, then test out sales strategies effective for each group, find the optimal sales strategy that typifies each group through trial and error, and introduce automated mechanisms for each strategy.
In order to utilize the ability to suggest outfit coordination, which is the strength of the Company's sales staff, and the information distribution capabilities of social

media, we link the outfit coordination pictures posted by our sales staff on social media to product information registered on our ecommerce website. Besides creating a way to lead customers to our ecommerce website, we will also introduce a system where we can see the ranking of staff members on our website based on the volume of sales of the coordinated outfits, and information on the number of page views (PV).

Through these initiatives, we will work on increasing the volume of customers visiting our stores and our ecommerce website.

ii) Finding new customers through new businesses

As the resort wear sold by ENFÖLD was well-received last spring, we conducted marketing analysis, as well as expansion of product concept and product line, and established a new brand, någonstans, which proposes a style of resort wear for adults, in February this year.

In March this year, the brand R4G, with a concept that is a fusion of anime and fashion, was born from the Company's new business discovery contest "NEXT IS YOU."

In addition, in March this year, we launched the brand Leory × EBLÓA, which appoints two popular influencers of the Company as designers and has a concept of growing out of the girly Shibuya fashion style, and the editable ecommerce platform STYLE MIXER, which appoints a popular influencer from outside the Company as the curator.

Through these new brands and new businesses, we will work on finding and acquiring new customers.

iii) Improving the gross profit ratio

For each brand's business, besides developing mainstay products with clearly defined product strengths, we will place orders which give the depth to these mainstay products and narrow down the number of models of these products. Furthermore, we will strengthen the promotion of mainstay products, and by conveying the value of the products in stores and on the ecommerce website, we will improve the cash conversion rate through sales that does not rely on discounts.

We will also endeavor to reduce product costs, by promoting direct trade that does not rely on trading companies for production in China, and implementing initiatives for supply chain management (SCM) reform that utilizes production in third countries such as those in the ASEAN region.

Through these measures, we will work on improving the gross profit ratio.

iv) Controlling selling and administrative expenses and raising efficiency

By introducing RFID (Radio Frequency Identification) product tags, registering the product data of each carton at the final packaging location of the products, introducing a system that manages the location information of cartons that are in shipment, and adopting a standardized carton to improve the container load factor, we endeavor to improve the efficiency of logistics.

Also, we will work on improving the efficiency of staff members in the stores through strategic scrap and build of the stores.

Furthermore, we will aim to improve the efficiency of using promotion costs, by promoting digital marketing and strengthening analysis by inflow channel, which is not possible through a paper medium.

Through these efforts, we will work on reducing expenses for and improving the efficiency of logistics, human resources, and advertising and promotion.

Through these measures, we will endeavor to improve profitability in the domestic business.

2) Expanding the overseas business

For the business in China, besides strengthening the ecommerce business on the back of greater brand recognition, we are aiming to expand the contribution to profits by opening around 40 stores with a focus on profitability.

In the United States, we will strengthen the wholesale business of MOUSSY,

which has been robust. We will also promote development in new markets, mainly in Southeast Asia, by utilizing cross-border ecommerce websites.

Through the above, we will work on expanding the overseas business, mainly in China.

We ask for the continued support and guidance of our shareholders.

(5) Principal Businesses (As of January 31, 2018)

The Group consists of the Company and six consolidated subsidiaries of the Company. The Group is mainly engaged in the planning, sales and manufacturing of clothing, etc., principally in the manufacturing and retailing business (SPA*) of clothing, etc. for women.

(Note) SPA is the abbreviation of "Speciality store retailer of Private label Apparel."

(6) Principal Sales Offices and Plants (As of January 31, 2018)

1) Business Offices of the Company

Head office	Meguro-ku, Tokyo
Stores	277 (Direct-operated stores in Japan)

2) Business Offices of Subsidiaries

BAROQUE HK LIMITED	Hong Kong Special Administrative Region, People's Republic of China
Baroque (Shanghai) Trading Ltd.	Shanghai City, People's Republic of China
BAROQUE CHINA LIMITED	Hong Kong Special Administrative Region, People's Republic of China
Baroque (Shanghai) Enterprise Development Ltd.	Shanghai City, People's Republic of China
FRAME LIMITED	Hong Kong Special Administrative Region, People's Republic of China
BAROQUE USA LIMITED	New York City, United States of America

(7) Employees (As of January 31, 2018)

1) Employees of the Group

Number of employees	Change from previous fiscal year-end
1,660	+8

2) Employees of the Company

Number of employees	Changes from previous fiscal year-end	Average age	Average service period
1,505 (166)	0 (+17)	27.9	4 years and 8 months

(Notes) 1. The number of employees refers to the number of full-time employees (excluding employees of the Company assigned to other companies), and the number of temporary staff (part-time employees) in the most recent 12 months is specified in parentheses "( )."

2. The number of temporary staff refers to the average number of part-time employees employed in the most recent 12 months (translated in an eight-hour working day basis). This number excludes the number of dispatched employees.

(8) Principal Lenders (As of January 31, 2018)

Lender	Amount borrowed (million yen)
Sumitomo Mitsui Banking Corporation	5,350
Mizuho Bank, Ltd.	3,612
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,972
Shinsei Bank, Limited	1,000
Sumitomo Mitsui Trust Bank, Limited	500
Resona Bank, Limited.	250

(Note) To raise working capital efficiently, the Company has concluded commitment line agreements with Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(9) Other Important Information Concerning the Group

Not applicable.

2. Overview of the Company

(1) Shares (As of January 31, 2018)

1) Total number of shares authorized to be issued 120,000,000 shares

2) Total number of outstanding shares 36,240,600 shares

3) Number of shareholders 21,877 persons

4) Major shareholders (10 largest shareholders)

Shareholder name	Status of investment in the Company	
	Number of shares	Shareholding ratio
	shares	%
MUTUAL CROWN LIMITED	7,284,600	20.10
ORIX Corporation	6,815,600	18.80
CDH RUNWAY INVESTMENT (HK) LIMITED	5,242,900	14.46
Hiroyuki Murai	3,598,100	9.92
Qingguang Jin	786,500	2.17
Japan Trustee Services Bank, Ltd. (Trust Account)	343,100	0.94
Japan Trustee Services Bank, Ltd. (Trust Account 5)	299,500	0.82
DEUTSCHE BANK AG LONDON 610	288,950	0.79
NORTHERN TRUST CO. (AVFC) RE 10PCT TREATY ACCOUNT	272,600	0.75
Trust & Custody Services Bank, Ltd. (Trust Account E)	216,000	0.59

(Note) The shareholding ratio is rounded down to the second decimal place.

(2) Subscription Rights to Shares

1) Subscription Rights to Shares Issued to and Held by Officers of the Company as Compensation for Performance of Duties

(As of January 31, 2018)

		4th issuance of subscription rights to shares
Date of resolution		November 26, 2008
Number of subscription rights to shares		440
Class and number of shares underlying subscription rights to shares		88,000 shares of common stock (200 shares per unit of subscription rights to shares)
Amount to be paid for subscription rights to shares		No payment required for subscription rights to shares
Amount of property contributed upon exercise of subscription rights to shares		150,000 yen per unit of subscription rights to shares (750 yen per share)
Exercise period		November 27, 2010 to November 26, 2018
Conditions for exercise		Notes 1, 2 and 3
Subscription rights to shares held by Executive Officers	Directors (excluding Outside Directors)	Number of units: 440 Number of holders: 2
	Outside Directors	–
	Audit & Supervisory Board Members	–

(Notes) 1. Share subscription right holders can only exercise their subscription rights to shares if the shares received upon exercise of the rights are listed on a financial instruments exchange in Japan.

2. Share subscription right holders must either be a Director, Audit & Supervisory Board Member or employee of the Company when their rights are exercised. However, in the case that certain requirements stipulated in the subscription rights to shares allotment agreement are fulfilled, the rights can be exercised even if the holder has lost their position as a Director, Audit & Supervisory Board Member or employee of the Company.

3. In the event that the share subscription right holder passes away, their successor cannot exercise the subscription rights to shares.

2) Subscription Rights to Shares Issued within the Fiscal Year under review to Employees, etc. as Compensation for Performance of Duties

Not applicable.

3) Other Important Matters Related to Subscription Rights to Shares, etc.

At the Board of Directors meeting held on May 15, 2017, the Company resolved to acquire and cancel the subscription rights to shares issued in the 5th issuance of subscription rights to shares (determined through a resolution of the Board of Directors meeting held on January 14, 2016). Accordingly, the Company acquired and cancelled all the said subscription rights to shares on May 31, 2017 without consideration.

(3) Company Officers

1) Directors and Audit & Supervisory Board Members (As of January 31, 2018)

Position	Name	Areas of responsibility at the Company and significant concurrent positions
Representative Director and President	Hiroyuki Murai	Chief Executive Officer Director and Chairman, BAROQUE HK LIMITED Representative Director, Baroque (Shanghai) Trading Ltd. Managing Director, BAROQUE CHINA LIMITED Director, BAROQUE CHINA APPARELS LIMITED Director, Baroque (Shanghai) Clothing Ltd. Representative Director, Baroque (Shanghai) Enterprise Development Ltd. Managing Director, FRAME LIMITED Director, BAROQUE USA LIMITED
Representative Director and Executive Vice President	Seiki Nara	Assistant to the President
Senior Managing Director	Hirofumi Yamazaki	Chief Strategy Officer Director, BAROQUE HK LIMITED Director, Baroque (Shanghai) Trading Ltd. Director, FRAME LIMITED
Director	Fang Sheng	Executive Director, Belle International Holdings Limited Deputy Chairman, Smile Charity Foundation Adjunct Professor of Innovation and Entrepreneurship, Tongji University Director, BAROQUE CHINA APPARELS LIMITED Representative Director, Baroque (Shanghai) Clothing Ltd. Director, Baroque (Shanghai) Enterprise Development Ltd.
Director	Makoto Inoue	Director and Representative Executive Officer, President and CEO, ORIX Corporation
Director	Xiaoling Hu	Managing Director, CDH Investments Non-executive Director, Belle International Holdings Limited Non-executive Director, Dali Foods Group Company Limited

Position	Name	Areas of responsibility at the Company and significant concurrent positions
Director	Kyosuke Shinozawa	President, Public Interest Incorporated Foundation Capital Markets Research Institute
Director	Kunihisa Hama	Chairperson, Compliance Committee Outside Audit & Supervisory Board Member, YOMIURI LAND CO., LTD. External Director, NITTO BOSEKI CO., LTD. Outside Director, ENSUIKO SUGAR REFINING CO., LTD.
Full-time Audit & Supervisory Board Member	Yoshiki Yoshida	
Audit & Supervisory Board Member	Teruo Ozaki	President, Teruo Ozaki CPA Office Outside Corporate Auditor, Inui Global Logistics Co., Ltd. Executive Director, ORIX JREIT Inc.
Audit & Supervisory Board Member	Hiroshi Nagayasu	Lawyer, Tozai Sogo Law Office Audit & Supervisory Board Member, Datacard Japan Ltd. Audit & Supervisory Board Member, Janssen Pharmaceutical K.K. Outside Audit & Supervisory Board Member, Sumitomo Riko Company Limited

(Notes)
1. Directors Mr. Fang Sheng, Mr. Makoto Inoue, Ms. Xiaoling Hu, Mr. Kyosuke Shinozawa, and Mr. Kunihisa Hama are Outside Directors as stipulated in Article 2, Item 15 of the Companies Act.
2. Audit & Supervisory Board Members Mr. Yoshiki Yoshida and Mr. Hiroshi Nagayasu are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 of the Companies Act.
3. The Company has reported Outside Directors Mr. Kyosuke Shinozawa and Mr. Kunihisa Hama and Outside Audit & Supervisory Board Members Mr. Yoshiki Yoshida and Mr. Hiroshi Nagayasu as independent directors to Tokyo Stock Exchange, Inc. as specified by the same exchange.
4. Director Mr. Fang Sheng concurrently serves as the Executive Director of Belle International Holdings Limited, which indirectly controls a major shareholder of the Company, MUTUAL CROWN LIMITED. In addition, Baroque (Shanghai) Clothing Ltd., at which he serves as Representative Director is the Company's equity-method associate, and there is a transactional relationship involving the use of the Company's brand trademark rights between said company and the Company.
5. Director Mr. Makoto Inoue concurrently serves as a Director and Representative Executive Officer, President of ORIX Corporation, a major shareholder of the Company.
6. Director Ms. Xiaoling Hu concurrently serves as the Managing Director of CDH Investments, which indirectly controls a major shareholder of the Company, CDH RUNWAY INVESTMENT (HK) LIMITED.
7. There are no significant transactions or other special relationships between the Company and other corporations at which Outside Directors and Outside Audit & Supervisory Board Members concurrently serve.
8. Mr. Baijiao Sheng resigned from the post of Outside Director at the conclusion of the

Company's 18th Annual Shareholders' Meeting held on April 26, 2017 due to expiration of his term of office.

9. Audit & Supervisory Board Member Mr. Yoshiki Yoshida has years of experience in conducting the internal auditing of corporations, and has considerable knowledge in finance and accounting.
10. Audit & Supervisory Board Member Mr. Teruo Ozaki has years of operational experience in accounting as a certified public accountant, and has considerable knowledge in finance and accounting.

2) Summary of the Liability Limitation Agreement

In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with each of its Outside Directors, Outside Audit & Supervisory Board Members, and Audit & Supervisory Board Member Mr. Teruo Ozaki, to limit their liability for damages, as stipulated in Article 423, Paragraph 1 of the said Act.

The maximum amount of liability for damages based on the agreement is the amount specified by laws and regulations.

3) Total Compensation to Officers in the Fiscal Year under Review

Category	Number of officers	Amount of compensation, etc. (million yen)
Directors (of which are Outside Directors)	5 (2)	114 (13)
Audit & Supervisory Board Members (of which are Outside Audit & Supervisory Board Members)	3 (2)	21 (13)
Total (of which are Outside officers)	8 (4)	135 (26)

(Notes)
1. The total amount of compensation, etc. to Directors do not include the employee portion of salary paid to Directors who are concurrently serving as employees.
2. The abovementioned amount of compensation, etc. includes the Board Benefit Trust (BBT) expenses recorded for the fiscal year under review. The BBT is a stock compensation system that records expenses over several years according to the receiving period of the compensation, which was resolved as a form of compensation paid to officers in the 18th Annual Shareholders' Meeting held on April 26, 2017, and the details of which were resolved in the Board of Directors meeting held on June 14, 2017. The amount of expenses recorded in the fiscal year under review was 28 million yen for three Directors. In addition, Outside Directors are not eligible for the BBT.
3. In the 12th Annual Shareholders' Meeting held on April 26, 2011, the maximum amount of compensation to Directors in a fiscal year was resolved to be 1,000 million yen (not including the employee portion of salary).
4. In the 10th Annual Shareholders' Meeting held on April 28, 2009, the maximum amount of compensation to Audit & Supervisory Board Members in a fiscal year was resolved to be 50 million yen.
5. Among the Directors, four Directors will not receive any compensation.

4) Outside Officers
Main Activities in the Fiscal Year under Review

Name	Status of participation in meetings and opinions provided
Director Fang Sheng	Participated in all 16 meetings of the Board of Directors during the fiscal year under review; provided opinions from a perspective based on his rich experience and extensive insight acquired mainly from engaging in corporate management, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings.
Director Makoto Inoue	Participated in 12 out of 16 meetings of the Board of Directors during the fiscal year under review; provided opinions from a perspective based on his rich experience and extensive insight acquired mainly from engaging in corporate management, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings.
Director Xiaoling Hu	Participated in all 16 meetings of the Board of Directors during the fiscal year under review; provided opinions from a perspective based on her rich experience and extensive insight acquired mainly from engaging in corporate management, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings.
Director Kyosuke Shinozawa	Participated in all 16 meetings of the Board of Directors during the fiscal year under review; provided advice and suggestions based on his expert operational experience related to international finance and economics, from a standpoint independent of the Company's business executives, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings.
Director Kunihisa Hama	Participated in 15 out of 16 meetings of the Board of Directors during the fiscal year under review; provided opinions based on his rich experience and extensive insight acquired mainly from engaging in the legal industry and legal administration, from a standpoint independent of the Company's business executives, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings.
Audit & Supervisory Board Member Yoshiki Yoshida	Participated in all 16 meetings of the Board of Directors and all 17 meetings of the Audit & Supervisory Board during the fiscal year under review; provided opinions based on his rich experience acquired mainly from engaging in internal auditing of corporations and being a full-time audit & supervisory board member, from a standpoint independent of the Company's business executives, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings; as a Full-time Audit & Supervisory Board Member, he conducts as necessary audits of all aspects of management and business execution of Directors.
Audit & Supervisory Board Member Hiroshi Nagayasu	Participated in all 16 meetings of the Board of Directors and all 17 meetings of the Audit & Supervisory Board during the fiscal year under review; provided opinions mainly based on his operational experience in the legal field as a lawyer, from a standpoint independent of the Company's business executives, conducive to securing the validity and appropriateness of decisions made at Board of Directors meetings; provided appropriate and necessary opinions regarding the Company's compliance and internal control at Audit & Supervisory Board meetings.

(4) Accounting Auditor

1) Name of Accounting Auditor
PricewaterhouseCoopers Aarata LLC

2) Compensation, etc.

	Compensation, etc.
Accounting Auditor's compensation, etc., for the fiscal year under review	76 million yen
Cash and other benefits payable by the Company or its subsidiaries to Accounting Auditor	76 million yen

(Notes)1. Under the audit agreement between the Company and its Accounting Auditor, compensation, etc. for audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act are not strictly separated, and otherwise cannot be separated. Consequently, the above amount reflects the total Accounting Auditor's compensation for the fiscal year under review.

2. The Company's Audit & Supervisory Board agreed to the compensation, etc. to PricewaterhouseCoopers Aarata LLC after verifying the actual number of auditing hours in previous fiscal years, trends in compensation for auditing, and the status of performance of duties by the Accounting Auditor, as well as considering the audit plan for the fiscal year under review and the basis for the calculation of estimated compensation, etc.

3) Description of Non-Audit Services

The Company entrusts non-audit services to the Accounting Auditor and pays compensation for them. Such services refer to the advice and guidance received concerning internal control related to financial reporting.

4) Policy Regarding Determination of Dismissal or Nonreappointment of Accounting Auditor

In the event that the Accounting Auditor is deemed to have met any of the grounds set forth in the Items of Article 340, Paragraph 1 of the Companies Act, the Company's Audit & Supervisory Board shall dismiss the Accounting Auditor subject to the unanimous consent of the Audit & Supervisory Board Members.

In addition to the case above, if an event that affects the eligibility or independence of the Accounting Auditor occurs, and the Accounting Auditor is deemed unable to conduct appropriate audits as a result, the Company's Audit & Supervisory Board shall, via a resolution at an Audit & Supervisory Board meeting, submit the details of a proposal to dismiss or not reappoint the Accounting Auditor to the Shareholders' Meeting.

(5) System to Ensure Proper Business Execution and Operational Status of the System

Overview of System to Ensure Proper Business Execution

The following is an overview of the system defined to ensure that Directors execute their duties in compliance with laws and regulations and the Articles of Incorporation, and other systems defined to ensure operations of the Company are conducted appropriately.

1) System to ensure that Directors, Executive Officers and employees of the Company and its subsidiaries execute their duties in compliance with laws and regulations and the Articles of Incorporation
   i) The Company and its subsidiaries recognize that adhering to laws and regulations, the Articles of Incorporation, and societal norms (compliance) is the basic principle that underlies corporate activities. All Directors, Executive Officers and employees shall work together as one to thoroughly ensure compliance.
   ii) The Company shall implement measures to establish and strengthen the compliance system through regular activities of the Compliance Committee.
   iii) The Company shall strive for the early discovery of illegal conduct through a whistleblowing system (hotline) entrusted to an external law firm.
   iv) The Internal Audit Office shall regularly audit the compliance system whether it is functioning effectively and report the results at Board of Directors meetings.
   v) The Company shall construct a system of appropriate delegation of authority and auditing between Directors, Executive Officers and employees, by ensuring that they execute duties based on regulations on division of authority and on management approval.

2) System for storage and management of information related to the performance of duties of the Company's Directors

   The Company shall construct a system for the appropriate storage and management of information related to business execution as well as proceedings and decisions made at Board of Directors meetings, based on regulations including those regarding the Board of Directors, Executive Officers, document management and the meeting structure.

3) Regulations or any other systems of the Company and its subsidiaries for management of risk of loss
   i) The Board of Directors shall supervise risk management in the Company and its subsidiaries, prevent the occurrence of any event that may significantly affect management, and ensure thorough risk management in every department, through meetings, etc. with the personnel in charge of each department.
   ii) The Company shall endeavor to strengthen risk management from a legal perspective, and strengthen the capabilities of human resources in the legal department.
   iii) Based on the regulations related to crisis management, etc., the Company shall construct a system that can respond promptly to a situation where a material risk has emerged and the entire Company needs to take action, such as by establishing an emergency headquarter.

4) System to ensure the performance of duties by Directors of the Company and its subsidiaries is efficient
   i) To increase the speed of decision-making by the Board of Directors, the head count of the Company's Board of Directors shall be kept to the minimum, and Board of Directors meetings shall be held flexibly.
   ii) By effectively utilizing the executive officer system, the Company shall strengthen the supervising function of the Board of Directors over management, through promoting the delegation of authority related to business execution.
   iii) The Company shall adopt a system where the Company and its subsidiaries can make prompt decisions and share necessary information, via meetings conducted by personnel in charge of the departments, in addition to Board of Directors

meetings and Executive Officer meetings.

iv) The Company shall create other systems that endeavor to ensure operational efficiency, by implementing measures aimed at the rationalization and digitization of operations.

5) System to ensure proper business execution within the Group consisting of the Company and its subsidiaries, and system for reporting on the performance of duties by Directors, etc. of the Company's subsidiaries to the Company

i) The Company shall conduct the management of its subsidiaries based on regulations regarding the management of subsidiaries and associates.

ii) The Internal Audit Office shall conduct the audits of the Company and its subsidiaries.

6) Matters related to employees who are to assist duties of the Company's Audit & Supervisory Board Members should they request such employees, independence of such employees from the Directors, and ensuring effectiveness of instructions given to such employees

i) Employees of the Company's Internal Audit Office shall assist in the duties of the Company's Audit & Supervisory Board Members as necessary.

ii) The performance evaluation and disciplinary measures of such employees shall be determined by the Company's Audit & Supervisory Board Members.

iii) When an employee receives an order necessary for auditing from the Company's Audit & Supervisory Board Members, the employee shall not accept any instructions or orders from the Directors, Executive Officers, etc. regarding the said order.

iv) The Company's Directors shall cooperate in creating an environment conducive to auditing, to allow such employees to perform their tasks smoothly.

7) System for the Company's Directors, Executive Officers and employees and its subsidiaries' Directors, Audit & Supervisory Board Members and employees to report to the Company's Audit & Supervisory Board Members, other systems for reports to Audit & Supervisory Board Members, and system to ensure a person who makes such a report will not be treated unfavorably because of the report

i) The Company's Audit & Supervisory Board Members participates in Board of Directors meetings and other important meetings of the Company, as well as meetings with the Directors as necessary, to receive important reports and information about the Company and its subsidiaries.

ii) The Company's Directors, Executive Officers and employees, and its subsidiaries' Directors, Audit & Supervisory Board Members and employees will provide to the Company's Audit & Supervisory Board Members any information regarding important matters of the entire Company, the status of compliance, contents of internal auditing, contents of whistleblowing, and other matters deemed necessary by the Audit & Supervisory Board Members, without delay. The Company forbids the unfavorable treatment of a person who makes such a report to the Company's Audit & Supervisory Board Members because of the report.

8) Matters related to policy on advance payment or reimbursement procedures of costs arising from the Company's Audit & Supervisory Board Members' performance of duties, and processing of expenses or obligations arising from the performance of other such duties

When an Audit & Supervisory Board Member of the Company requests advance payment, etc. of costs for the performance of their duties, the request for the expenses or obligations shall be processed swiftly unless the Company deems that the expenses or obligations requested are not necessary for the performance of duties.

9) Other systems to ensure effective audits by the Company's Audit & Supervisory Board Members

i) The Company shall strengthen the auditing system of Audit & Supervisory Board Members based on the standards for audit by Audit & Supervisory Board Members, etc.

ii) Based on the standards for audit by Audit & Supervisory Board Members and regulations regarding internal auditing etc., Audit & Supervisory Board Members shall cooperate with the Internal Audit Office and the Accounting Auditor to conduct effective audits.

iii) The Board of Directors shall create an environment that allows Audit & Supervisory Board Members to obtain advice from external experts such as lawyers, certified public accountants and tax accountants as necessary.

10) Basic policy towards elimination of antisocial forces

The Company and its subsidiaries will not have any associations whatsoever with antisocial forces and groups that threaten the order and security of civil society. Furthermore, the Company and its subsidiaries will firmly refuse any requests from such antisocial forces and groups, and maintain a policy of not making any transactions with any corporation, group or individual related to these forces and groups.

11) System to ensure reliability and fairness of financial reporting

In compliance with laws and regulations such as the Financial Instruments and Exchange Act, the Company and its subsidiaries shall continuously develop, operate and evaluate the system for effective and appropriate internal control over financial reporting, in order to ensure the reliability and fairness of financial reporting.

Summary of Operational Status of System to Ensure Proper Business Execution

The following is an overview of the operational status of the system to ensure proper business execution in the fiscal year under review.

1) Compliance system

The Company has a Compliance Committee that consists of external experts and the Company's Directors. As a general rule, the Compliance Committee holds monthly meetings, where activities related to the promotion of compliance are discussed, and compliance issues are identified and tackled. In the fiscal year under review, in order to raise the awareness of compliance among individuals and organizations, the Company regularly implemented eLearning education, ensured widespread knowledge of the whistleblowing system throughout the Company, as well as implemented internal seminars on topics such as the Subcontract Act that relates to the Company's business.

2) Performance of duties by Directors

In the fiscal year under review, 16 Board of Directors meetings were held, where decisions, etc. regarding important matters were made, and supervision was carried out to ensure the performance of duties by Directors and employees were in compliance with laws, regulations and the Articles of Incorporation. In addition, through Executive Officer meetings and Department GM meetings, the Company ensures the fairness and efficiency of its operations.

3) Risk management system

The Company has formulated the Risk Management Regulations for an emergency situation where an event causes a material impact on the management of the Company and its subsidiaries, so as to swiftly grasp the situation, respond to it promptly and appropriately, and reduce the impact on management to a minimum. The Risk Management Regulations stipulate the basic policy of responding to an emergency situation, and that an emergency headquarter headed by the President shall be formed if necessary. Activities to be conducted by the

emergency headquarter include gathering of information, deciding on emergency measures and instructing action, cause investigation, and deciding the basic policy of the response. Finally, after the implementation of recurrence prevention measures, etc. is verified, the emergency headquarter will be dismissed. Regarding responses to the press, etc., the General Managers of the Administration Division and the General Affairs Department will be in charge of communication, and ensuring appropriate information management and information provision.

4) Management of subsidiaries and associates

Based on its Authority Regulations and Subsidiaries and Associates Management Regulations, the Company sanctions important matters regarding its subsidiaries and associates, or receives reports from its subsidiaries and associates regarding such matters.

At Board of Directors meetings, the monthly performance of the Group is reported, and progress in terms of the Group's management targets, as well as issues regarding management and corresponding solutions are examined.

5) Performance of duties by Audit & Supervisory Board Members

Based on the audit policy and audit plan for the year decided by the Audit & Supervisory Board, Audit & Supervisory Board Members hold Audit & Supervisory Board meetings. Besides attending Board of Directors meetings, they also participate in important meetings including Executive Officer meetings and Compliance Committee meetings, and improve the effectiveness of audits through receiving reports, etc. on topics including business performance, the operating status of businesses and the development of internal control from the Company's Executive Officers.

Audit & Supervisory Board Members have regular meetings with the Internal Audit Office and the Accounting Auditor to cooperate by sharing information and exchanging opinions, so as to conduct audits efficiently. Meetings for an exchange of opinions are regularly held between the Representative Director and President and the Audit & Supervisory Board Members.

(6) Policy for Deciding Distribution of Surplus, etc.

The Group positions the return of profits to shareholders as one of the most important tasks of management, and has a basic policy of implementing stable dividends while considering the amount of internal reserves necessary to strengthen the financial structure and support active business development. Going forward, from a medium- to long-term perspective, the Company will strive for sustainable growth, enhancing corporate value and increasing shareholder value by investing management resources into business fields where growth is expected.

Furthermore, from the fiscal year ended January 31, 2018, the Company adopts a basic policy aiming at a stable payout ratio of 30-40%, and we will continue to secure adequate internal reserves to ensure the ongoing expansion and development of the business and strengthen our corporate structure to enable us to cope with changes in the industry and increased business competition.

Consolidated Balance Sheet

(As of January 31, 2018)

(Unit: million yen)

Description	Amount	Description	Amount
(Assets)		**(Liabilities)**	
I Current assets	**32,815**	**I Current liabilities**	**11,222**
Cash and cash equivalents	18,743	Trade notes payable	273
Trade and other receivables	7,804	Trade and other payables	4,705
Inventories	4,514	Short-term interest-bearing borrowings	1,500
Consumables	56	Interest-bearing borrowings	2,123
Deferred tax assets	831	Other payables	1,156
Others	864	Accrued expenses	482
Provision for doubtful accounts	(0)	Current tax payable	633
II Non-current assets	**8,460**	Provision for bonus	133
1 Property, plant and equipment	**1,800**	Provision for reinstatement costs	50
Buildings and leasehold improvements	1,255	Deposits received	41
Land	350	Others	121
Construction in progress	18	**II Non-current liabilities**	**11,628**
Others	175	Interest-bearing borrowings	9,061
2 Intangible assets	**551**	Provision for retirement benefits	877
Software	539	Provision for reinstatement costs	1,010
Others	12	Other payables	84
3 Investments and other assets	**6,108**	Deposits received	505
Investments in and advances to associates	1,848	Others	89
Rental deposits	3,514	**Total liabilities**	**22,851**
Deferred tax assets	585	**(Equity)**	
Others	159	**I Shareholders' equity**	**17,542**
III Deferred assets	**42**	**1 Share capital**	**8,090**
Stock delivery expenses	42	**2 Share premium**	**8,016**
		3 Retained earnings	**1,698**
		4 Treasury stock	**(263)**
		II Other reserves	**52**
		1 Deferred gains or losses on hedges	**(3)**
		2 Foreign currency translation reserve	**184**
		3 Remeasurements of defined benefit plans	**(128)**
		III Non-controlling interests	**871**
		Total equity	**18,466**
Total assets	**41,317**	**Total liabilities and equities**	**41,317**

(Note) Figures of less than one million are truncated.

Consolidated Income Statement

(February 1, 2017 - January 31, 2018)

(Unit: million yen)

Description	Amount	
Turnover		**67,952**
Cost of goods sold		**31,556**
Gross profit		**36,396**
Selling, general and administrative expenses		**33,840**
Operating profit		**2,556**
Non-operating income		
Interest income	1	
Share of profit of associates	82	
Gain on foreign exchange	2	
Subsidy income	116	
Other income	20	223
Non-operating expenses		
Interest on bank and other loans	74	
Finance charges	23	
Loss on disposals of property, plant and equipment	59	
Loss on store closure	32	
Other expenses	33	224
Recurring profit		**2,556**
Extraordinary expenses		
Impairment loss	120	120
Profit before taxation		**2,435**
Corporation tax, inhabitants tax and business tax	1,158	
Deferred income tax	(325)	833
Profit for the year		**1,602**
Profit attributable to non-controlling interests		365
Net profit		**1,236**

(Note) Figures of less than one million are truncated.

Consolidated Statement of Changes in Equity

(February 1, 2017 - January 31, 2018)

(Unit: million yen)

	Shareholders' equity				
	Share capital	Share premium	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of February 1, 2017	7,904	7,901	746	—	16,551
Changes during the fiscal year					
Issuance of shares	186	186	—	—	373
Dividend	—	(71)	(284)	—	(355)
Treasury stock	—	—	—	(263)	(263)
Net profit	—	—	1,236	—	1,236
Net changes other than shareholders' equity	—	—	—	—	—
Total changes during the fiscal year	186	115	952	(263)	990
Balance as of January 31, 2018	8,090	8,016	1,698	(263)	17,542

	Other reserves				Non-controlling interests	Total equity
	Deferred gains or losses on hedges	Foreign currency translation reserve	Remea-surements of defined benefit plans	Total other reserves		
Balance as of February 1, 2017	(8)	76	(87)	(18)	469	17,002
Changes during the fiscal year						
Issuance of shares	—	—	—	—	—	373
Dividend	—	—	—	—	—	(355)
Treasury stock	—	—	—	—	—	(263)
Net profit	—	—	—	—	—	1,236
Net changes other than shareholders' equity	4	108	(40)	71	401	473
Total changes during the fiscal year	4	108	(40)	71	401	1,464
Balance as of January 31, 2018	(3)	184	(128)	52	871	18,466

(Note) Figures of less than one million are truncated.

Non-Consolidated Balance Sheet

(As of January 31, 2018)

(Unit: million yen)

Description	Amount	Description	Amount
(Assets)		**(Liabilities)**	
I Current assets	**27,598**	**I Current liabilities**	**9,121**
Cash and cash equivalents	17,794	Trade notes payable	273
Trade and other receivables	4,002	Trade and other payables	3,030
Inventories	4,246	Short-term interest-bearing borrowings	1,500
Consumables	56	Interest-bearing borrowings	2,123
Prepaid expenses	203	Other payables	1,024
Deferred tax assets	640	Accrued expenses	482
Loans receivable	275	Current tax payable	342
Others	380	Advances received	62
Provision for doubtful accounts	(0)	Provision for bonus	133
		Provision for reinstatement costs	50
II Non-current assets	**10,050**	Deposits received	41
1 Property, plant and equipment	**1,633**	Others	57
Buildings and leasehold improvements	1,150	**II Non-current liabilities**	**11,436**
Tools, furniture and fixtures	80	Interest-bearing borrowings	9,061
Land	350	Provision for retirement benefits	691
Construction in progress	18	Provision for reinstatement costs	1,004
Others	33	Other payables	84
2 Intangible assets	**541**	Deposits received	505
Software	539	Others	89
Others	1	**Total liabilities**	**20,558**
3 Investments and other assets	**7,875**	**(Equity)**	
Investments in subsidiaries and associates	3,379	**I Shareholders' equity**	**17,137**
Rental deposits	3,458	**1 Share capital**	**8,090**
Loans receivable	300	**2 Share premium**	**8,016**
Prepaid expenses	157	(1) Legal capital surplus	7,887
		(2) Other capital surplus	128
Deferred tax assets	579	**3 Retained earnings**	**1,293**
Others	0	(1) Other retained earnings	1,293
		Retained earnings brought forward	1,293
III Deferred assets	**42**	**4 Treasury stock**	**(263)**
Stock delivery expenses	42	**II Valuation and translation adjustments**	**(3)**
		1 Deferred gains or losses on hedges	**(3)**
		Total equity	**17,133**
Total assets	**37,691**	**Total liabilities and equities**	**37,691**

(Note) Figures of less than one million are truncated.

Non-Consolidated Income Statement

(February 1, 2017 - January 31, 2018)

(Unit: million yen)

Description	Amount	
Turnover		**59,318**
Cost of goods sold		**25,487**
Gross profit		**33,831**
Selling, general and administrative expenses		**32,047**
Operating profit		**1,784**
Non-operating income		
Interest income	17	
Gain on foreign exchange	150	
Dividend income	215	
Other income	14	398
Non-operating expenses		
Interest on bank and other loans	74	
Finance charges	23	
Loss on disposals of property, plant and equipment	59	
Loss on store closure	32	
Other expenses	32	222
Recurring profit		**1,960**
Extraordinary expenses		
Impairment loss	120	120
Profit before taxation		**1,839**
Corporation tax, inhabitants tax and business tax	872	
Deferred income tax	(294)	578
Profit for the year		**1,260**

(Note) Figures of less than one million are truncated.

Non-Consolidated Statement of Changes in Equity

(February 1, 2017 - January 31, 2018)

(Unit: million yen)

	Shareholders' equity					
	Share capital	Share premium		Retained earnings	Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Other retained earnings		
				Retained earnings brought forward		
Balance as of February 1, 2017	7,904	7,901	—	316	—	16,121
Changes during the fiscal year						
Issuance of shares	186	186	—	—	—	373
Transfer of surplus	—	(200)	200	—	—	—
Dividend	—	—	(71)	(284)	—	(355)
Treasury stock	—	—	—	—	(263)	(263)
Profit for the year	—	—	—	1,260	—	1,260
Net changes other than shareholders' equity	—	—	—	—	—	—
Total changes during the fiscal year	186	(13)	128	976	(263)	1,015
Balance as of January 31, 2018	8,090	7,887	128	1,293	(263)	17,137

	Valuation and translation adjustments		Total equity
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance as of February 1, 2017	(8)	(8)	16,113
Changes during the fiscal year			
Issuance of shares	—	—	373
Transfer of surplus	—	—	—
Dividend	—	—	(355)
Treasury stock	—	—	(263)
Profit for the year	—	—	1,260
Net changes other than shareholders' equity	4	4	4
Total changes during the fiscal year	4	4	1,019
Balance as of January 31, 2018	(3)	(3)	17,133

(Note) Figures of less than one million are truncated.

Accounting Auditor's Audit Report on the Consolidated Financial Statements

Independent Auditor's Report
(English Translation*)

March 23, 2018

To the Board of Directors
Baroque Japan Limited

We have audited the accompanying consolidated financial statements of Baroque Japan Limited (hereinafter referred to as the "Company") for the fiscal year from February 1, 2017 to January 31, 2018, which consist of the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements, pursuant to Article 444, Paragraph 4 of the Companies Act.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting standards generally accepted in Japan. This responsibility includes designing and operating internal control as management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit is not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Baroque Japan Limited and its consolidated subsidiaries as of January 31, 2018 and their financial performance for the year then ended in conformity with accounting principles generally accepted in Japan.

Conflict of Interest

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

PricewaterhouseCoopers Aarata LLC

Hiroyuki Sawayama, CPA
Designated and Engagement Partner
Masaru Koshida, CPA
Designated and Engagement Partner

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*The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Accounting Auditor's Audit Report on the Non-Consolidated Financial Statements

Independent Auditor's Report
(English Translation*)

March 23, 2018

To the Board of Directors
Baroque Japan Limited

We have audited the non-consolidated financial statements of Baroque Japan Limited (hereinafter referred to as the "Company") for the 19th term from February 1, 2017 to January 31, 2018, which consist of the non-consolidated balance sheet, the non-consolidated income statement, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the supplementary schedules pursuant to Article 436, Paragraph 2-1 of the Companies Act.

Management's Responsibility for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of non-consolidated financial statements and supplementary schedules in accordance with accounting standards generally accepted in Japan. This responsibility includes designing and operating internal control as management determines is necessary to enable the preparation and fair presentation of non-consolidated financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and the supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the supplementary schedules are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the supplementary schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and the supplementary schedules in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit is not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the non-consolidated financial statements and supplementary schedules

referred to above present fairly, in all material respects, the financial position of the Company as of January 31, 2018 and its financial performance for the year then ended in conformity with accounting principles generally accepted in Japan.

Conflict of Interest

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

PricewaterhouseCoopers Aarata LLC

Hiroyuki Sawayama, CPA
Designated and Engagement Partner
Masaru Koshida, CPA
Designated and Engagement Partner

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*The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Audit Report of the Audit & Supervisory Board

Audit Report

(English Translation)

Regarding the performance of duties by the Directors for the 19th term from February 1, 2017 to January 31, 2018, the Audit & Supervisory Board hereby submits its audit report, which has been prepared upon careful consideration based on the audit reports prepared by each Audit & Supervisory Board Member.

1. Summary of Auditing Methods by the Audit & Supervisory Board Members and Audit & Supervisory Board

(1) The Audit & Supervisory Board established auditing policies, plans, and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel and the Accounting Auditor regarding performance of their duties, and sought explanations as necessary.

(2) Each Audit & Supervisory Board Member complied with the standards for audit by Audit & Supervisory Board Members established by the Audit & Supervisory Board, followed the auditing policies, plans, and other relevant matters, communicated with Directors, the Internal Audit Office, employees, and any other relevant personnel, and made efforts to prepare the environment for information gathering and audit, as well as conducted the audit through the methods described below.

1) We participated in meetings of the Board of Directors and other important meetings, received reports from the Directors, employees and other relevant personnel regarding performance of their duties, sought explanations as necessary, examined important approval documents and associated information, and inspected the operations and financial positions at the head office and principal stores. With respect to subsidiaries, we communicated with, and gathered information from, Directors, etc. of subsidiaries as well as received reports from subsidiaries on their business as necessary.

2) With respect to the system for ensuring that the performance of duties by the Directors as stated in the Business Report conforms to related laws and regulations and the Articles of Incorporation, and the contents of resolutions of the Board of Directors regarding preparation of a system to ensure the properness of operations of a group of enterprises consisting of a stock company and its subsidiaries as stipulated in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, and such a system prepared based on these resolutions (internal control system), we received regular reports from Directors, employees and other relevant personnel regarding the development and operation of the systems, requested explanations as necessary and expressed opinions.

3) We monitored and verified whether the Accounting Auditor maintained its independence and implemented appropriate audits, as well as received reports from the Accounting Auditor regarding the performance of its duties and sought explanations as necessary. In addition, we received notice from the Accounting Auditor that the systems for ensuring that the performance of duties is being carried out correctly (matters set forth in each Item of Article 131 of the Rules of Corporate Accounting) had been prepared in accordance with the Quality Control Standards for Audit (issued by the Business Accounting Council on October 28, 2005) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the Business Report and the supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated income statement, non-consolidated statement of changes in equity, and notes to the non-consolidated financial statements) and the supplementary schedules, as well as the consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity and the notes to the consolidated financial statements) related to the relevant fiscal year.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1) In our opinion, the Business Report and the supplementary schedules are in accordance with related laws and regulations, as well as the Articles of Incorporation, and fairly represent the Company's condition.
2) We have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with respect to the Articles of Incorporation, related to performance of duties by the Directors.
3) In our opinion, the content of the resolutions of the Board of Directors related to the internal control system is fair and reasonable. In addition, we have found no matters on which to remark regarding the description in the Business Report and the performance of duties by the Directors related to the said internal control system.

(2) Results of Audit of Non-Consolidated Financial Statements and Supplementary Schedules

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Aarata LLC are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Aarata LLC are fair and reasonable.

March 23, 2018

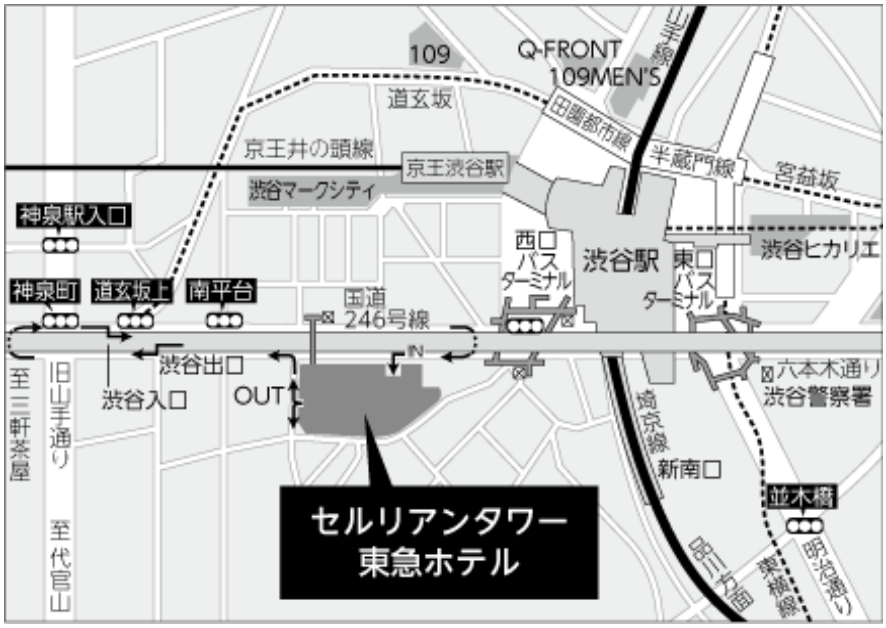
Audit & Supervisory Board, Baroque Japan Limited

Full-time Audit & Supervisory Board Member	Yoshiki Yoshida
Audit & Supervisory Board Member	Teruo Ozaki
Audit & Supervisory Board Member	Hiroshi Nagayasu

(Note) Full-time Audit & Supervisory Board Member Mr. Yoshiki Yoshida and Audit & Supervisory Board Member Mr. Hiroshi Nagayasu are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 and Article 335, Paragraph 3 of the Companies Act.

Map of Venue for the Shareholders' Meeting

Venue: B2F Ballroom, Cerulean Tower Tokyu Hotel
26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo, Japan
Tel: +81-3-3476-3000 (Switchboard of hotel)



Transportation: JR Yamanote Line, Saikyo Line, Shōnan Shinjuku Line
Tokyu Lines Tokyu Tōyoko Line, Den-en-toshi Line
Tokyo Metro Ginza Line, Hanzomon Line, Fukutoshin Line
Keiō Railway Inokashira Line
5-minute walk from the Shibuya Station of each line

*Please use public transport as no parking lot has been arranged.