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(Securities Code: 8114)

June 1, 2017

To Our Shareholders:

NOTICE OF THE 60TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 60th Annual General Meeting of Shareholders of DESCENTE LTD. (the "Company") to be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing (by mail). Please review the attached Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Wednesday, June 21, 2017.

1. Date and Time: Thursday, June 22, 2017, at 10:00 a.m.

2. Place: Descente Osaka Office, Hall B1 floor, 1-11-3 Dogashiba, Tennoji-ku, Osaka

3. Meeting Agenda:

Matters to be reported:

1. Operations Report, Consolidated Financial Statements for the 60th Business Term (from April 1, 2016, to March 31, 2017)
2. Audit Report concerning Consolidated Financial Statements by the Accounting Auditor and the Audit Board

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Ten Directors

Proposal 3: Election of One Auditor

Proposal 4: Determination of Compensation for the Directors in Order to Grant the Restricted Stock

Reference Documents for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Considering the Company's performance for the fiscal year ended March 31, 2017 and future business development, the year-end dividend for the fiscal year ended March 31, 2017, is proposed to be ¥23 per share (ordinary dividend of ¥17 and commemorative dividend of ¥6 to celebrate the 60th term of the Company).

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

¥23 per share of common stock of the Company

(ordinary dividend of ¥17, commemorative dividend of ¥6)

Total amount of dividends: ¥1,732,759,556

(3) Effective date of dividends from surplus

Friday, June 23, 2017

Proposal 2: Election of Ten Directors

The terms of office of all of the nine current directors will expire at the conclusion of this Annual General Meeting of Shareholders. The Company proposes to increase the number of outside directors to two in compliance with Corporate Governance Code for the purpose of further strengthening the Company's corporate governance. Accordingly, the election of 10 directors is proposed.

The candidates for directors are as indicated below.

No.	Name (Date of birth)	Positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Ichiro Nakamura (August 5, 1955)	April 2014 Senior Managing Executive Officer of ITOCHU Corporation, Chief Executive Officer of Latin America and Chief Executive Officer & President of Itochu Brazil S.A April 2016 Advisor of ITOCHU Corporation June 2016 Director, Chairman (to present)	1,800
2	Masatoshi Ishimoto (March 30, 1962)	June 2008 Director of the Board June 2013 President and Representative Director (to present) September 2016 Director of the Board of Descente Japan Ltd. (to present)	923,335

3	Yoshikazu Tanaka (March 11, 1957)	June 2007 Director of the Board April 2017 Director, Senior Managing Executive Officer CPO le coq sportif, arena & Munsingwear Brand Management, Hong Kong Office, R & D Center (to present)	30,000
4	Hisashi Mitsui (October 12, 1954)	June 2008 Director of the Board April 2017 Director, Managing Executive Officer President and CEO, Descente Japan Ltd. (to present)	25,900
5	Hitoshi Haneda (May 21, 1955)	June 2000 Director of the Board April 2017 Director, Managing Executive Officer CSO Global Planning, Operations & Business Development (to present)	16,300
6	Kenichi Tsujimoto (December 30, 1955)	June 2001 Director of the Board April 2017 Director, Managing Executive Officer CFO Administration Director, Managing Executive Director, Descente Japan Ltd. Administration (to present)	13,900
7	Hoon-Do Kim (October 1, 1968)	June 2014 Director of the Board (to present) January 2010 President and CEO, DESCENTE KOREA LTD. (to present) January 2015 President and CEO, DESCENTE GLOBAL RETAIL LTD. (to present) April 2017 Director, Managing Executive Officer DESCENTE Brand Management (to present)	1,000
8	Motonari Shimizu (February 3, 1964)	(significant concurrent position) April 2016 Chief Operating Officer, Apparel Division 2 of ITOCHU Corporation (to present) June 2016 Director of the Board (to present)	-

9	Masako li (February 8, 1963)	June 2013 Outside Director of the Board (to present) (significant concurrent position) April 2005 Professor Graduate School of Economics, School of International and Public Policy (to present)	-
10*	Ungyong Shu (October 19, 1962)	(significant concurrent position) June 2015 Director, The Dai-ichi Life Insurance Company, Limited	-

1. * new candidates.

2. Ms. Masako li and Mr. Ungyong Shu are the candidates for independent outside directors of the Board.

3. Reason for selection of the candidate for independent outside director

Ms. Masako li has considerable insights and abundant experience. Based on her objective and neutral perspective, we believe her advice in relation to management judgment will be beneficial for the company. She has served as an outside director of the Company for four years at the conclusion of this Annual General Meeting of Shareholders.

4. Reason for selection of the candidate for independent outside director

Mr. Ungyong Shu has abundant experience and high insights as the management of the financial institution. Based on his objective, neutral and global perspective, we believe his positive advice in relation to management judgment will be beneficial for the company. Also we expect his effective administration to other directors.

5. In case of the approval of Ms. Masako li's reelection, the Company will have been entering into a liability limitation contract with Ms. Masako li in accordance with Article 427, Paragraph 1 of the Japanese Companies Act.

- The maximum amount of liability under the aforementioned contract shall be the amount prescribed in Article 427, Paragraph 1 of the Japanese Companies Act.

6. In case of the approval of the election of Mr. Ungyong Shu, the Company will have entered into a liability limitation contract with him in accordance with Article 427, Paragraph 1 of the Japanese Companies Act.

- The maximum amount of liability under the aforementioned contract shall be the amount prescribed in Article 427, Paragraph 1 of the Japanese Companies Act.

7. Ms. Masako li is to be appointed as an independent officer as defined by the Tokyo Stock Exchange.

8. Mr. Ungyong Shu qualifies as an independent officer as defined by the Tokyo Stock Exchange and the Company will be to appoint him as an independent officer.

Proposal 3: Election of One Auditor

The terms of office of one of the current auditors, Mr. Kazuyuki Ishimoto will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one auditor is proposed. The candidate for auditor is as indicated below. The Board of Auditors has already approved this proposal.

Name (Date of birth)	Positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
Masatsugu Morimitsu (September 16, 1958)	April 2015 Corporate Officer, General Manager, Athletic Brands April 2017 Auditor of the Board, Descente Japan Ltd. (to present)	7,324

Proposal 4: Determination on the Compensation for the Directors in Order to Grant the Restricted Stock

The compensation for the directors of the Company has been settled at the 49th Annual General Shareholders Meeting on June 21, 2006 and the amount is approved under ¥300 million per year except for salaries for director-employees. The Company hereby proposes to introduce a Restricted Stock as a part of its efforts to review the director's compensation. The Restricted Stock will be granted to the directors except for the outside directors in order to provide an incentive to the directors to increase the Company's value constantly and share its value with the shareholders. The Company provides the Restricted Stock separately from the ordinary compensation which mentioned above.

Masatoshi Ishimoto

President

DESCENTE LTD.

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