

(Stock Exchange No.: 8020)

June 3, 2016

NOTICE OF THE 122ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

You are cordially invited to attend the 122nd Ordinary General Meeting of Shareholders of Kanematsu Corporation (hereinafter “the Company”) to be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing. After reviewing the enclosed reference materials, please indicate “for” or “against” for each agenda item listed in the enclosed Ballot Form, and return it to the Company by 5:10 p.m. on Thursday, June 23, 2016.

Sincerely,

Masayuki Shimojima, President & CEO
Kanematsu Corporation
119 Ito-machi, Chuo-ku, Kobe

Meeting Details

1. Date: June 24, 2016 (Friday) at 10:00 a.m.

2. Place: Tokyo Head Office of Kanematsu Corporation, 2nd Floor Conference Room,
Seavans North Bldg., 1-2-1 Shibaura, Minato-ku, Tokyo

3. Meeting Agenda

Items to Be Reported:

1. Business Report and Consolidated Financial Statements, as well as Audit Reports of Consolidated Financial Statements by Accounting Auditors and the Board of Corporate Auditors for the 122nd Fiscal Term (April 1, 2015 to March 31, 2016)
2. Non-Consolidated Financial Statements for the 122nd Fiscal Term (April 1, 2015 to March 31, 2016)

Items to Be Resolved:

- Item 1: Election of seven (7) directors
- Item 2: Election of one (1) corporate auditor

When you attend in person, please submit the enclosed Ballot Form to the receptionist at the meeting.

Of the documents to be included with this notice, pursuant to laws and regulations and provisions of the Articles of Incorporation of the Company, the Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements are disclosed on our website (<http://www.kanematsu.co.jp>) rather than being included in the documents accompanying this notice. The documents accompanying this notice and the documents posted on the above Website include an audit report and an accounting audit report that were audited by corporate auditors and an accounting auditor during preparation, respectively.

If there are any amendments to the reference materials, Business Report, the Non-Consolidated Financial Statements or Consolidated Financial Statements, the revised version will be posted on our Website (<http://www.kanematsu.co.jp>).

Reference materials for the General Meeting of Shareholders

Items and References

Item 1: Election of seven (7) directors

The terms of office for all seven (7) directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes to elect seven (7) directors.

The candidates for director are as follows:

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)	
1	Masayuki Shimojima (August 6, 1951)	Apr. 1974	Joined the Company
		Jul. 1995	Vice-President, Kanematsu USA Inc.
		Jul. 2000	General Manager, IT Administration Office of Tokyo Head Office
	Number of the Company's shares owned 110,000 shares	Jun. 2002	President, Kanematsu USA Inc.
		Jun. 2006	Director, the Company
		Jun. 2009	Managing Director, the Company
		Apr. 2010	President & CEO, the Company (To the present)
	<Reasons for nomination as candidate for Director> Since 2010, Mr. Masayuki Shimojima has served as our President & CEO responsible for making decisions on important matters in the management and supervision of the execution of operations, with a wealth of experience, track record, and knowledge as a manager. He is expected to demonstrate his leadership in promoting our Group's management and strengthening corporate governance, and is thus re-nominated as a candidate for director.		

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)	
2	Masao Hasegawa (April 20, 1955)	Apr. 1979	Joined The Bank of Tokyo, Ltd. (present The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
	Number of the Company's shares owned 12,000 shares	Apr. 2004	General Manager, Trust Business Division, The Bank of Tokyo-Mitsubishi, Ltd. (present The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
		May 2005	President, The Bank of Tokyo-Mitsubishi (Holland) N.V. (present MUFG Bank (Europe) N.V.)
		Apr. 2008	Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. President, The Bank of Tokyo-Mitsubishi UFJ (Holland) N.V. (present MUFG Bank (Europe) N.V.)
		May 2008	Executive Officer & General Manager, Corporate Risk Management Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
		Jun. 2010	Managing Director (Representative Director), Mitsubishi UFJ Financial Group, Inc.
		Jun. 2012	Deputy President, Mitsubishi UFJ Research and Consulting Co., Ltd.
		Jun. 2014	Resigned from Deputy President, Mitsubishi UFJ Research and Consulting Co., Ltd. Director, Executive Vice President, the Company (To the present)
		(incumbent)	Chief Officer, Supporting Area; Chief Officer, Internal Auditing Department, the Company
	<Reasons for nomination as candidate for Director> Mr. Masao Hasegawa, an expert in comprehensive risk management, has gained a wealth of experience and track record by serving as Chief Risk Officer as well as Managing Director of Mitsubishi UFJ Financial Group, Inc. Appointed as our Executive Vice President in 2014, he has been committed to enhancing the Company's governance system, etc. and is thus re-nominated as a candidate for director.		

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)
3	Takashi Gunji (July 20, 1958)	Apr. 1982 Joined the Company Apr. 1998 Managing Director, Kanematsu Iran Ltd. Jun. 2005 General Manager, Iron & Steel Foreign Trade Department of Tokyo Head Office, the Company Feb. 2010 General Manager, Iron & Steel Foreign Trade Department of Tokyo Head Office and General Manager, Iron & Steel Administration Office, the Company Apr. 2010 Executive Officer, the Company Jun. 2010 Director, the Company Jun. 2013 Managing Director, the Company Jun. 2014 Director, Senior Managing Executive Officer, the Company (To the present) (incumbent) Chief Officer, Steel, Materials and Plant Division, Chief Officer, Personnel and General Affairs, General Manager, Osaka Branch; General Manager, Nagoya Branch, the Company (Significant concurrent position) Executive Director, KANEYO CO., Ltd.
	Number of the Company's shares owned 54,000 shares	
	<Reasons for nomination as candidate for Director> Since joining the Company, Mr. Takashi Gunji has been engaged primarily in the iron & steel business. After serving as Managing Director of the Company's overseas subsidiary, he was appointed as a director in 2010, and has been responsible for Iron & Steel, Materials, Plant Divisions, Personnel and General Affairs. He is committed to strengthening our revenue base and fostering human resources. Due to his abundant experience and wide range of knowledge, he is re-nominated as a candidate for director.	

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)	
4	Kaoru Tanigawa (September 24, 1958)	Apr. 1981	Joined the Company
	Number of the Company’s shares owned 33,000 shares	Jul. 1999	Manager, Section 2, Industrial Electronics Department of Tokyo Head Office, the Company
		Jul. 2004	General Manager, Somerset Branch, Kanematsu USA Inc.
		Jan. 2008	General Manager, Information & Electronics Department of Tokyo Head Office, the Company
		Jun. 2010	Temporary transferred to Kanematsu Communications Co., Ltd. Director, Kanematsu Communications Co., Ltd.
		Apr. 2011	General Manager, Corporate Planning Department of Tokyo Head Office, the Company
		Jun. 2011	Retiring director, Kanematsu Communications Co., Ltd.
		Jun. 2013	Director, the Company
		Jun. 2014	Retiring director of the Company according to revision for improvement of executive officer system Managing Executive Officer, the Company
		Jun. 2015	Director, Senior Managing Executive Officer, the Company (To the present)
		(incumbent)	Chief Officer, Electronics and Devices Division, Corporate Planning, the Company
		(Significant concurrent position)	Director, KANEMATSU ELECTRONICS LTD.
<Reasons for nomination as candidate for Director> Since joining the Company, Mr. Kaoru Tanigawa has been engaged primarily in the electronics and devices business. After serving as General Manager of the Company's Corporate Planning Department, in 2013, Mr. Tanigawa was appointed as a director responsible for the Electronics and Devices Division, and Corporate Planning, contributing to business expansion and development of management strategies. Due to his abundant experience and broad expertise, he is re-nominated as a candidate for director.			

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)
5	Nobuyoshi Sakuyama (August 20, 1960)	Apr. 1984 Joined the Company Oct. 1999 Manager, Finance Section, Finance Department of Tokyo Head Office, the Company
	Number of the Company's shares owned 49,000 shares	Jul. 2005 General Manager, Accounting Department, the Company Jul. 2010 General Manager, Accounting Department and General Manager, Finance Department, the Company Jun. 2012 Director, the Company Jun. 2014 Director, Managing Executive Officer, the Company (To the present) (incumbent) Chief Officer, Finance, Accounting, Business Accounting, Legal and Compliance, the Company (Significant concurrent positions) Corporate Auditor, KANEMATSU ELECTRONICS LTD. Auditor, KANEYO CO., Ltd.
	<Reasons for nomination as candidate for Director> Since joining the Company, Mr. Nobuyoshi Sakuyama has been engaged in the Finance and Accounting Departments. Appointed as a director in 2012, he has been committed to strengthening the Company's sound financial condition. Due to his wealth of experience and broad expertise, he is re-nominated as a candidate for director.	

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)	
6	Yutaka Hirai (November 11, 1945)	Apr. 1970	Joined Daifuku Machinery Works Co., Ltd. (present Daifuku Co., Ltd.)
		Jun. 2001	Director, Daifuku Co., Ltd.
	Number of the Company's shares owned	Apr. 2003	Managing Director, Daifuku Co., Ltd.
	0 shares	Apr. 2004	Senior Managing Director, Daifuku Co., Ltd.
	Candidate for outside director	Apr. 2006	Vice-President, Daifuku Co., Ltd.
	Independent officer	Jun. 2011	Corporate Auditor, the Company
		Jun. 2014	Director, the Company (To the present)
<Reasons for nomination as candidate for Outside Director> While serving in positions including Vice-President of Daifuku Co., Ltd., Mr. Yutaka Hirai has been responsible for management advisory and appropriate supervision of the execution of operations as an outside director of the Company, based on his long years of business experience and extensive knowledge, and is thus re-nominated as a candidate for outside director.			

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company (Significant Concurrent Positions)
7	Seiichi Katayama (April 18, 1943)	Apr. 1971 Assistant, Kobe University of Commerce Sep. 1980 Visiting Professor at The Evergreen State College Apr. 1987 Professor, Kobe University of Commerce Dec. 1993 Professor, Research Institute for Economics and Business Administration, Kobe University Apr. 2000 Director, Research Institute for Economics and Business Administration, Kobe University Mar. 2007 Resigned from Kobe University due to the expiration of the term of office Apr. 2007 Professor Emeritus, Kobe University (To the present) Professor, Faculty of Business and Commerce, Aichi Gakuin University Apr. 2013 Professor, Faculty of Economics, Aichi Gakuin University Apr. 2014 Visiting Professor, Faculty of Economics, Aichi Gakuin University (To the present) Jun. 2015 Director, the Company (To the present) (Significant concurrent positions) Professor Emeritus, Kobe University Visiting Professor, Aichi Gakuin University
	Number of the Company's shares owned 0 shares Candidate for outside director Independent officer	
	<Reasons for nomination as candidate for Outside Director> Although Mr. Seiichi Katayama has not been directly involved in corporate management in ways other than being an outside corporate officer, he is a university professor specializing in economics and has been committed to management advisory and appropriate supervision of the execution of operations as an outside director, based on his extensive expertise and knowledge regarding corporate management. Thus, he is re-nominated as a candidate for outside director.	

- (Notes) 1. There are no special interests between the Company and the candidates.
2. Messrs. Yutaka Hirai and Seiichi Katayama are candidates for outside director.
3. At the conclusion of this meeting, Mr. Yutaka Hirai's tenure as corporate auditor and as outside director will have been three years and two years, respectively. In addition, at the conclusion of this meeting, Mr. Seiichi Katayama's tenure as outside director will have been one year.
4. Limited liability agreement with outside directors
- The Company has entered into agreements with Messrs. Yutaka Hirai and Seiichi Katayama with regard to limitation of liability for damages stipulated in Article 423, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the said act. If their reelection is approved, the Company plans to renew these agreements with them.
- The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.
5. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Messrs. Yutaka Hirai and Seiichi Katayama have been appointed as independent officers as provided for by the aforementioned exchange.

Item 2: Election of one (1) corporate auditor

The terms of office for corporate auditor Sohei Ogawa will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) corporate auditor.

The candidate for corporate auditor is as follows.

Prior to our proposal of this item, we have already obtained the consent of the Board of Corporate Auditors.

Name (Date of Birth)	Career Summary and Positions in the Company (Significant Concurrent Positions)	
Sohei Ogawa (April 26, 1961)	Apr. 1984	Joined The Norinchukin Bank
Number of the Company’s shares owned 2,000 shares	Dec. 2003	Aomori Branch Manager, The Norinchukin Bank
	Feb. 2006	Deputy General Manager, Agriculture & Forestry Division, The Norinchukin Bank
Candidate for outside corporate auditor	Jan. 2007	Deputy General Manager, Corporate Planning Division, The Norinchukin Bank
	Sep. 2007	Deputy General Manager, Corporate Planning Division, General Manager, Subsidiaries & Affiliates Management Department, The Norinchukin Bank
	Apr. 2009	Chief Examiner, Corporate Planning Division, The Norinchukin Bank
	Jul. 2009	Oita Branch Manager, The Norinchukin Bank
	Jul. 2011	General Manager, Next Generation JASTEM System Planning Division, The Norinchukin Bank
	Jun. 2013	General Manager, Internal Audit Division, Chief Internal Auditor, The Norinchukin Bank
	Jun. 2015	Corporate Auditor, the Company (To the present)
	(Significant concurrent positions) Auditor, KANEYO CO., Ltd.	
<Reasons for nomination as candidate for outside corporate auditor> Mr. Sohei Ogawa has served in positions including the general manager of the Internal Audit Division of The Norinchukin Bank. The variety of experience in internal management practices and extensive knowledge that he acquired at financial institutions have been reflected in the audits of the Company. Thus, he is re-nominated as a candidate for outside corporate auditor.		

(Notes) 1. There are no special interests between the Company and Mr. Sohei Ogawa.

2. Mr. Sohei Ogawa is a candidate for outside corporate auditor.

3. At the conclusion of this meeting, Mr. Sohei Ogawa's tenure as outside corporate auditor will have been one year.

4. Mr. Sohei Ogawa had served as a business executor at The Norinchukin Bank, one of the main banks of the Company, until June 23, 2015.

5. The Company has entered into an agreement with Mr. Sohei Ogawa with regard to limitation of liability for damages stipulated in Article 423, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the said act. If his reelection is approved, the Company plans to renew this agreement with him.

The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.