Securities Code 9678
January 8, 2016

To Our Shareholders

1-19, Odori Higashi 3-chome
Chuo-ku, Sapporo, Hokkaido
060-0041, Japan
kanamoto co., ltd.
Kanchu Kanamoto, President

# Notification and Invitation to the 51st Regular General Meeting of the Shareholders

On behalf of the company, I would like to express our sincere appreciation for your continuing support.
It is a pleasure to send you notification of the 51st Regular General Meeting of the Shareholders of Kanamoto Company, Ltd., which will be convened at the time and location indicated below.
If you are unable to attend the Meeting, please take a few moments to read the following reference documents for the General Meeting of the Shareholders, and exercise your voting rights by using either of the procedures indicated below.

[To exercise your shareholder voting rights by mail]
Shareholders who wish to exercise their voting rights using the Form for Exercising Voting Rights are requested to use the enclosed form to cast an affirmative or negative vote regarding the resolutions presented for approval. Please sign your voting form and return it to us by 5:00 p.m. on Wednesday, January 27, 2016 (Japan time).

[To exercise your shareholder voting rights by Internet]
Shareholders who wish to exercise their voting rights using the Internet are requested to exercise their voting rights to cast an affirmative or negative vote regarding the resolutions presented for approval by 5:00 p.m., Wednesday, January 27, 2016 (Japan time) after referring to the Procedures, Administration and Other Matters When Exercising Voting Rights Using the Internet provided below on Page 11 through Page 12.

1. Date and Time　Thursday, January 28, 2016, 10:00 a.m. (Reception desk open from 9:00 a.m.)
2. Location　11-1 Nishi, Kita 1-jo, Chuo-ku, Sapporo, Hokkaido, Japan
Royton Sapporo, 3rd Floor “Royton Hall”

3. Purpose and Topics of the Meeting
Matters to be reported
1. Report of Business Operations and the Consolidated Financial Statements, and the Report on Results of the Audit by the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements, for the 51st Business Period (from November 1, 2014 to October 31, 2015)
2. Report of the Company Financial Statements for the 51st Business Period (from November 1, 2014 to October 31, 2015)

Resolutions to be presented for Shareholder Approval
Resolution #1　Appointment of fifteen (15) individuals to position of Director
Resolution #2　Appointment of one (1) individual to the position of Corporate Auditor

◎Exercise of voting rights by proxy

When you will exercise your voting rights by proxy, one (1) other shareholder with voting rights can attend the General Meeting of the Shareholders as your representative. However, your proxy will be required to present documentation to verify he/she has the authority to vote on your behalf. Your understanding is appreciated.

◎When attending the General Meeting of the Shareholders on the scheduled date, please submit the enclosed Form for Exercising Voting Rights at the reception desk on the meeting date.

◎As part of the documents to be provided to shareholders when issuing this notification to convene a Regular General Meeting of the Shareholders, information pertaining to matters that should be disclosed in the Notes to the Consolidated Financial Statements and Notes to the Company Financial Statements will be provided to shareholders in the form of documents available on Kanamoto's Internet website [ https://www.kanamoto.ne.jp ] based on laws and regulations and Article 16 of Kanamoto's Articles of Incorporation.

In addition to the matters described in the enclosed 51st Business Period Report of Business Operations, the matters that should be disclosed as Notes to the Consolidated Financial Statements and Notes to the Company Financial Statements are included as well in the Consolidated Financial Statements and Company Financial Statements that were audited when the Board of Corporate Auditors prepared its Audit Report and the Accounting Auditor prepared its Audit Report, respectively.

In the event of revisions to the Reference Documents for the General Meeting of the Shareholders described below and the Report of Business Operations or Consolidated Financial Statements and the Company Financial Statements described in the 51st Business Period Report of Business Operations, the Company will publish the changes on its Internet website [https://www.kanamoto.ne.jp].

## Reference Documents for the General Meeting of the Shareholders

**Resolution #1** Appointment of fifteen (15) individuals to position of Director

The term of office of all fourteen (14) Company Directors will terminate at the conclusion of the Regular General Meeting of the Shareholders. To strengthen the governance system, the Company intends to add one (1) director and is requesting approval to appoint fifteen (15) individuals to the position of Director.

Information on the candidates for Director is provided below.

| Nominee number | Name (Date of birth) | Employment history and position and duties at Kanamoto (Main concurrent positions at other entities) | Number of shares of Kanamoto stock owned |
|---|---|---|---|
| 1 | Kanchu Kanamoto (November 29, 1946) [Reappointment] | April 1973 Joined Kanamoto Co., Ltd.<br>November 1981 Promoted to Director<br>January 1990 Promoted to Executive Director<br>April 1996 Promoted to Executive Vice President<br>June 1998 Promoted to President and CEO (Present position)<br>January 2001 Promoted to Corporate Officer (Present position)<br>[Main concurrent positions at other entities]<br>Chairman of the Board, Shanghai Jinheyuan Engineering Construction Co., Ltd. | 487,000 shares |
| | [The reason that the Company has proposed Kanchu Kanamoto as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of president and CEO of the Company. He has been engaged in corporate management as a director of the Company for 34 years since November 1981 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director. | | |
| 2 | Tetsuo Kanamoto (May 21, 1960) [Reappointment] | January 1983 Joined Kanamoto Co., Ltd.<br>September 2000 Regional Manager, Construction Equipment Rental Division Kanto Region<br>April 2001 Promoted to Corporate Officer<br>November 2002 Division Manager, Construction Equipment Rental Division<br>January 2004 Promoted to Director (Present position)<br>June 2005 Division Manager, Construction Equipment Rental Division, serving concurrently as Manager, Business Coordination Headquarters (Present position)<br>April 2012 Promoted to Senior Corporate Officer<br>November 2014 Promoted to Senior Vice President and Corporate Officer (Present position)<br>[Main concurrent positions at other entities]<br>President and Representative Director, Toyo Industry Co., Ltd.<br>Chairman of the Board and Representative Director, Unite Co., Ltd.<br>Chairman of the Board and Representative Director, KG Flowtechno Co., Ltd.<br>Chairman of the Board, KANAMOTO (HK) CO., LTD.<br>Representative Director, Kanamoto & JP Nelson Equipment (S) PTE. Ltd. | 12,487 shares |
| | [The reason that the Company has proposed Tetsuo Kanamoto as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the director and senior vice president, and as well as the duties of the division manager of a Business Division. He has been engaged in corporate management as a director of the Company for 12 years since January 2004 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director. | | |

<table>
<tr><th>Nominee number</th><th>Name<br>(Date of birth)</th><th>Employment history and position and duties at Kanamoto<br>(Main concurrent positions at other entities)</th><th>Number of shares of Kanamoto stock owned</th></tr>
<tr><td rowspan="2">3</td><td>Nobuhito Utatsu<br>(October 9, 1948)<br>[Reappointment]</td><td>April 1998 Joined Kanamoto Co., Ltd.<br>Acting Division Manager, Accounting Division<br>June 1998 Division Manager, Accounting Division (Present position)<br>January 1999 Promoted to Director<br>January 2001 Promoted to Corporate Officer<br>January 2003 Promoted to Director (Present position)<br>January 2007 Manager in Charge of Credit Management Division & Information Systems Division (Present position)<br>November 2008 Promoted to Manager, Bill Collection Center (Present position)<br>April 2012 Promoted to Senior Corporate Officer<br>November 2014 Promoted to Senior Executive Corporate Officer (Present position)</td><td>8,200 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Nobuhito Utatsu as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Accounting Division. He has been engaged in corporate management as a director of the Company for 13 years since January 2003 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">4</td><td>Hitoshi Narita<br>(July 10, 1957)<br>[Reappointment]</td><td>November 1981 Joined Kanamoto Co., Ltd.<br>January 2000 Division Manager, Business Planning Division (Currently Management Planning Division) (Present position)<br>January 2001 Promoted to Corporate Officer (Present position)<br>January 2004 Promoted to Director (Present position)<br>[Main concurrent positions at other entities]<br>President and Representative Director, Kanatech Co., Ltd.</td><td>7,000 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Hitoshi Narita as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Management Planning Division. He has been engaged in corporate management as a director of the Company for 12 years since January 2004 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">5</td><td>Masakazu Hirata<br>(March 20, 1950)<br>[Reappointment]</td><td>January 1975 Joined Kanamoto Co., Ltd.<br>April 1997 Deputy Division Manager, Construction Equipment Rental Division Hokkaido Region, serving concurrently as Regional Coordination Manager, Repair and Maintenance Hokkaido Region<br>January 2001 Promoted to Corporate Officer<br>Deputy Division Manager, Construction Equipment Rental Division, serving concurrently as Division Manager, Used Equipment Sales Division (Present position)<br>July 2001 Manager, Quality Assurance Office (Present position)<br>January 2006 Promoted to Director (Present position)</td><td>22,000 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Masakazu Hirata as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Used Equipment Sales Division, the Repair and Maintenance, and Quality divisions. He has been engaged in corporate management as a director of the Company for 10 years since January 2006 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
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<tr><th>Nominee number</th><th>Name<br>(Date of birth)</th><th>Employment history and position and duties at Kanamoto<br>(Main concurrent positions at other entities)</th><th>Number of shares of Kanamoto stock owned</th></tr>
<tr><td rowspan="2">6</td><td>Keiichi Kitakata<br>(September 30, 1955)<br>[Reappointment]</td><td>April 1998 Joined Kanamoto Co., Ltd.<br>January 2001 Division Manager, Market Development Division<br>April 2001 Promoted to Corporate Officer (Present position)<br>May 2005 Division Manager, Information Products Division<br>January 2006 Promoted to Director (Present position)<br>April 2012 Promoted to Division Manager, Construction Equipment Rental Division (Present position)<br>[Main concurrent positions at other entities]<br>President and Representative Director, Kanki Corporation</td><td>6,700 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Keiichi Kitakata as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the president of a group company (present position) after assignments in the Market Development Division and the Information Products Division. He has been engaged in corporate management as a director of the Company for 10 years since January 2006 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">7</td><td>Hiroyuki Isono<br>(August 31, 1951)<br>[Reappointment]</td><td>December 2005 Joined Kanamoto Co., Ltd.<br>Division Manager, Administration Division (Present position)<br>May 2006 Promoted to Corporate Officer (Present position)<br>November 2006 General Manager, Office of the President (Present position)<br>January 2007 Promoted to Director (Present position)</td><td>24,100 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Hiroyuki Isono as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Administration Division. He has been engaged in corporate management as a director of the Company for 9 years since January 2007 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">8</td><td>Tatsuo Kanamoto<br>(February 2, 1962)<br>[Reappointment]</td><td>April 1994 Joined Kanamoto Co., Ltd.<br>April 2001 Regional Manager, Construction Equipment Rental Division Kinki-Chubu Region<br>January 2003 Promoted to Corporate Officer (Present position)<br>April 2003 Regional Manager, Construction Equipment Rental Division Tohoku Region<br>April 2005 Regional Manager, Construction Equipment Rental Division Hokkaido Region (Present position)<br>January 2007 Promoted to Director (Present position)<br>November 2011 Provisional General Manager, Construction Equipment Rental Division Hokkaido Region<br>February 2012 Promoted to Deputy Division Manager, Construction Equipment Rental Division (Present position)<br>February 2014 General Manager, Steel Sales Division (Present position)</td><td>90,000 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Tatsuo Kanamoto as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the deputy division manager of the Construction Equipment Rental Division and the general manager of the Steel Sales Division. He has been engaged in corporate management as a director of the Company for 9 years since January 2007 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
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<tr><th>Nominee number</th><th>Name<br>(Date of birth)</th><th>Employment history and position and duties at Kanamoto<br>(Main concurrent positions at other entities)</th><th>Number of shares of Kanamoto stock owned</th></tr>
<tr><td rowspan="2">9</td><td>Manabu Nagasaki<br>(November 29, 1963)<br>[Reappointment]</td><td>September 1986 Joined Kanamoto Co., Ltd.<br>April 2004 Deputy Regional Manager, Construction Equipment Rental Division Tohoku Region<br>April 2005 Regional Manager, Construction Equipment Rental Division Tohoku Region<br>January 2006 Promoted to Corporate Officer (Present position)<br>January 2007 Promoted to Director (Present position)<br>May 2008 Regional Manager, Construction Equipment Rental Division Tohoku Region Niigata Toyama Block<br>May 2010 Regional Manager, Construction Equipment Rental Division Kanto Region<br>November 2013 Regional Manager, Construction Equipment Rental Division Kanto and Shinetsu Region (Present position)<br>[Main concurrent positions at other companies]<br>Representative Director and President, Eiwashoukai Co., Ltd.</td><td>—</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Manabu Nagasaki as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the regional manager of the Construction Equipment Rental Division. He has been engaged in corporate management as a director of the Company for 9 years since January 2007 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">10</td><td>Yuichi Asano<br>(February 22, 1955)<br>[Reappointment]</td><td>September 2000 Joined Kanamoto Co., Ltd.<br>November 2002 Deputy Division Manager, Credit Management Division<br>April 2003 Promoted to Corporate Officer (Present position)<br>Division Manager, Credit Management Division serving concurrently as General Manager, Auditing Office and General Manager, Legal Office (Present position)<br>January 2009 Promoted to Director (Present position)</td><td>2,900 shares</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Yuichi Asano as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Credit Management Division. He has been engaged in corporate management as a director of the Company for 7 years since January 2009 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">11</td><td>Naoki Mukunashi<br>(September 8, 1956)<br>[Reappointment]</td><td>April 2006 Joined Kanamoto Co., Ltd.<br>General Manager, Business Coordination Headquarters<br>November 2006 Assistant to General Manager, Business Coordination Headquarters serving concurrently as Manager, Overseas Business Office (now Division Manager, Overseas Business Office) (Present position)<br>January 2007 Promoted to Corporate Officer (Present position)<br>January 2009 Promoted to Director (Present position)</td><td>—</td></tr>
<tr><td colspan="3">[The reason that the Company has proposed Naoki Mukunashi as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Overseas Business Office. He has been engaged in corporate management as a director of the Company for 7 years since January 2009 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
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<tr><th>Nominee number</th><th>Name<br>(Date of birth)</th><th colspan="2">Employment history and position and duties at Kanamoto<br>(Main concurrent positions at other entities)</th><th>Number of shares of Kanamoto stock owned</th></tr>
<tr><td rowspan="2">12</td><td>Kazunori Hashiguchi<br>(March 28, 1960)<br>[Reappointment]</td><td>January 2012<br><br><br><br><br>April 2012<br><br><br><br><br>November 2013</td><td>Joined Kanamoto Co., Ltd. and appointed Corporate Officer (Present position)<br>General Manager, Business Coordination Headquarters serving concurrently as Assistant General Manager, Business Coordination Headquarters (Present position)<br>Promoted to Director (Present position)<br>Division Manager, Information Products Division serving concurrently as Division Manager, Market Development Division (now General Manager, Market Development Office) (Present position)<br>General Manager, Construction Equipment Rental Division Event Marketing Division serving concurrently as Manager, New Products Office (Present position)</td><td>—</td></tr>
<tr><td colspan="4">[The reason that the Company has proposed Kazunori Hashiguchi as a candidate for Director]<br>He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the assistant general manager of a Business Division and the division manager of the Information Products Division and the Market Development Division. He has been engaged in corporate management as a director of the Company for 4 years since January 2012 and fulfilled his duties appropriately. Based on the above facts, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.</td></tr>
<tr><td rowspan="2">13</td><td>Tetsuro Masuko<br>(November 26, 1956)<br>[New appointment]<br>[Candidate for Outside Director]<br>[Independent Officer]</td><td>April 1979<br>February 1991<br>March 1999<br>March 2005<br>September 2009<br><br>January 2010<br>March 2011<br>March 2012<br>June 2012<br><br><br>January 2013<br>June 2014<br><br><br><br><br>July 2014<br>March 2015<br><br><br><br>June 2015</td><td>Joined Orient Leasing Co., Ltd. (currently ORIX Corporation)<br>Branch Manager of the Himeji Branch of ORIX Corporation<br>Department Manager of the Sales Department I of ORIX Corporation<br>Department Manager of the Screening and Due Diligence Group of ORIX Corporation<br>Group Manager of the Development III Group of the Real Estate Division of ORIX Corporation<br>Promoted to Corporate Officer of ORIX Real Estate Corporation<br>Promoted to Senior Corporate Officer of ORIX Real Estate Corporation<br>Promoted to Senior Executive Corporate Officer in ORIX Real Estate Corporation<br>Promoted to Deputy General Manager of Real Estate Business of ORIX Corporation<br>Promoted to Executive Vice President of ORIX Real Estate Corporation<br>Promoted to Group Corporate Officer of ORIX Corporation<br>Promoted to Executive Officer of ORIX Corporation<br>General Manager of Real Estate Business of ORIX Corporation<br>In charge of the Special Investment Group<br>In charge of the Financing Service Division<br>Representative Director and President of ORIX Real Estate Corporation<br>Head of Real Estate Headquarters and Investment Service of ORIX Corporation<br>Promoted to Group Corporate Officer of ORIX Corporation<br>Representative Director and Vice Chairman of ORIX Real Estate Corporation<br>Real Estate Business (in charge of investment) of ORIX Corporation<br>Executive Officer of ORIX Corporation (Present position)<br>Head of District Sales Headquarters (Present position)</td><td>—</td></tr>
<tr><td colspan="4">[The reason that the Company has proposed Tetsuro Masuko as a candidate for Outside Director]<br>He can use his extensive experience and knowledge as an executive at another company to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities.</td></tr>
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| Nominee number | Name (Date of birth) | Employment history and position and duties at Kanamoto (Main concurrent positions at other entities) | Number of shares of Kanamoto stock owned |
|---|---|---|---|
| 14 | Yoshihiro Nogami (April 13, 1962) [Reappointment] [Candidate for Outside Director] [Independent Officer] | May 1989 Joined ORIX Corporation<br>March 2009 General Osaka Sales Department I of ORIX Corporation<br>March 2012 Manager of Chubu Block of ORIX Corporation<br>July 2014 Hokkaido Block General Manager of ORIX Corporation (Present position)<br>January 2014 Promoted to Director (Present position) | — |
| | [The reason that the Company has proposed Yoshihiro Nogami as a candidate for Outside Director] Although he has not participated in corporate management, he can use the extensive experience and knowledge cultivated in his past career to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. | | |
| 15 | Motoki Yonekawa December 22, 1946 [New appointment] [Candidate for Outside Director] [Independent Officer] | May 1985 Vice President of Sapporo Hokuyu Hospital<br>April 1996 President of Sapporo Hokuyu Hospital of Medical Corporation Hokuyukai<br>April 2007 Chairperson of Specified Medical Corporation Hokuyukai<br>September 2011 Chairperson of Social Medical Corporation Hokuyukai (Present position) | — |
| | [The reason that the Company has proposed Motoki Yonekawa as a candidate for Outside Director] He can use his experience and knowledge as an executive at a medical institute, which is in an industry different to that in which the Company operates, to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. | | |

(Notes) 1. There are no special interests between the candidates for Director and the Company.

2. Tetsuro Masuko, Yoshihiro Nogami and Motoki Yonekawa are candidates for Outside Director.

3. All candidates for Outside Director have fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and the Company plans to notify the Tokyo Stock Exchange and Sapporo Securities Exchange as independent officers who have no possibility of having conflicts of interest with general shareholders, set forth by both exchanges. The "criteria for judging the independence of outside directors," set forth by the Company, is as below:

(1) An individual who is not a director in charge of business execution, an employee in charge of business execution, a corporate officer, a manager, or a corporate auditor or an employee of another type in the Company or a consolidated subsidiary thereof, and has not been in charge of business execution at the Company or a consolidated subsidiary thereof for 10 years prior to taking the position of Director.

(2) An individual who has not been a member of or in charge of business execution at a business partner to whom the payment from the Company or a consolidated subsidiary thereof exceeds 2% of the consolidated sales of either company or from whom the payment to the Company or a consolidated subsidiary thereof exceeds 2% of the consolidated sales of either company, for the most recent three business years, and has not been in charge of business execution at such business partner for the past three years.

(3) An individual who is not a consultant or an employee of an accounting or law firm that has received economic benefits of more than 10 million yen or other properties from the Company for the most recent three business years, other than compensation as a director of the Company, and has not received payments that 2% or more of the total sales of the firm for the most recent three business years.

(4) An individual who is not a director, an employee in charge of business execution, or a corporate officer of the Company or a consolidated subsidiary thereof or the spouse or a relative within two degrees of kinship of an individual whose independence from the Company is not established based on the above requirements (2) and (3)

(5) An individual who is not a main shareholder who has a minimum of 10% of the current voting rights of the Company, or in charge of business execution at the said shareholder.

(6) An individual who is not a director, a corporate auditor, an accounting advisor, an employee in charge of business execution, or a corporate officer of a company that receives a director or a corporate auditor from the Company or a consolidated subsidiary thereof, or the parent company or subsidiary thereof.

(7) An individual who is not a member, a partner or an employee of an accounting auditor, a certified public accountant (or a certified public tax accountant) as an accounting advisor, or an audit firm (or a tax accountant firm) of the Company or a consolidated subsidiary thereof and has not been directly in charge of auditing the Company or its subsidiary for the past three years.

4. The term of office of Yoshihiro Nogami as Outside Director of the Company shall be two years starting from the conclusion of the Regular General Meeting of the Shareholders.

5. To enable its outside director to sufficiently demonstrate the role expected of them, the Company has set forth a provision in its Articles of Incorporation that enables the Company to enter into a contract (Contract of Limitation of Liability) with each Outside Director to the effect that, when circumstances correspond to the requirements provided in laws and regulations

concerning liability for damages under Article 423 paragraph (1) of the Companies Act, said liability for damages shall be limited to the total maximum liability for damages provided in laws and regulations, and at the present time the Company has entered into a Contract for Limitation of Liability with each Outside Director. The Company plans to continue these arrangements if the reappointment of Yoshihiro Nogami is approved, and plans to enter into identical contracts for limitation of liability if the appointment of Tetsuro Masuko and Motoki Yonekawa is approved.

**Resolution #2** Appointment of one (1) individual to the position of Corporate Auditor

The term of office for Akio Hashimoto, Corporate Auditor, will terminate at the conclusion of the Regular General Meeting of the Shareholders. The Company is requesting approval to appoint one (1) individual to the position of Corporate Auditor.

The Company has obtained the consent of the Board of Corporate Auditors for this proposal.

Information on the candidate for Corporate Auditor is provided below.

| Name<br>(Date of birth) | Employment history and position at Kanamoto<br>(Main concurrent positions at other entities) | | Number of shares of Kanamoto stock owned |
|---|---|---|---|
| Akio Hashimoto<br>(February 28, 1943)<br>[Reappointment]<br>[Candidate for Outside Corporate Auditor]<br>[Independent Officer] | April 1969<br>January 1972<br><br><br>April 1996<br>April 1997<br><br>April 1999<br><br>January 2004 | Registered with Japan Federation of Bar Associations to practice law in Japan<br>President of Akio Hashimoto Law Firm (currently Hashimoto and Okawa Joint Law Firm) (Present position)<br>President of Sapporo Bar Association<br>Chairman of Hokkaido Federation of Bar Associations<br>Vice President of Japan Federation of Bar Associations<br>Corporate Auditor at the Company (Present position) | 6,000 shares |
| [The reason that the Company has proposed Akio Hashimoto as candidate for Outside Corporate Auditor]<br>Although he has not participated in corporate management, he can use his extensive experience and knowledge cultivated as a lawyer to contribute to the auditing system of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. | | | |

(Notes)
1. There is no special interest between the candidate for Corporate Auditor and the Company.
2. Akio Hashimoto is the candidate for Outside Corporate Auditor.
3. Akio Hashimoto is currently serving as an Outside Corporate Auditor of the Company. His 12th one-year term of office as Outside Corporate Auditor will terminate at the conclusion of the Regular General Meeting of the Shareholders.
4. To enable its Outside Corporate Auditors to sufficiently demonstrate the role expected of them, the Company has set forth a provision in its Articles of Incorporation that enables the Company to enter into a contract (Contract of Limitation of Liability) with each Outside Corporate Auditor to the effect that, when circumstances correspond to the requirements provided in laws and regulations concerning liability for damages under Article 423 paragraph (1) of the Companies Act, said liability for damages shall be limited to the total maximum liability for damages provided in laws and regulations, and at the present time the Company has entered into a Contract for Limitation of Liability with each Outside Corporate Auditor. The Company plans to continue these agreements if the reappointment of Akio Hashimoto is approved.
5. The Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed, of the position of Akio Hashimoto as an "independent officer" as provided by the rules etc. of both exchanges.

Procedures, Administration and Other Matters When Exercising Voting Rights Using the Internet

Shareholders who will exercise their voting rights using the Internet are requested to exercise their voting rights after carefully reading the following materials.

1. Voting rights exercise site

(1) Exercise of voting rights using the Internet can only be completed by accessing the exclusive site for exercise of voting rights specified by the Company (http://www.evote.jp/) from a personal computer or cellular phone (i-mode, EZweb, and Yahoo! Keitai)*. (However, administration is halted daily from 2:00 a.m. until 5:00 a.m.)

* "i-mode", "EZweb", "Yahoo!" and "Yahoo! Keitai" are the trademarks or registered trademarks of NTT DoCoMo, Inc., KDDI Corporation, Yahoo! Inc. in the United States and SOFTBANK MOBILE Corp., respectively.

(2) Shareholders may be unable to exercise their voting rights by personal computer depending on their Internet use environment, including when using a firewall with an Internet connection, when using a computer on which anti-virus software has been installed and when using a proxy server.

(3) To exercise voting rights by cellular phone, please use either i-mode, EZweb or Yahoo! Keitai phone service. Please note that to ensure security, telephone models that are not equipped to provide encrypted transmissions (SSL transmission) and transmissions of cellular telephone information are not supported.
When using a cellular phone with a QR code reading function installed, you may also access the voting site by reading the QR code shown at right.

(4) Voting rights exercised by the Internet will be accepted until 5:00 p.m. on Wednesday, January 27, 2016 (Japan time). Shareholders are encouraged to exercise their votes promptly and inquire to the help desk with any questions.

2. Procedure for exercise of voting rights using the Internet

(1) Use the Login ID and temporary password recorded on the Form for Exercising Voting Rights to access the voting rights exercise site (http://www.evote.jp/), and follow the instructions on the screen to input your votes separately to approve or reject each proposal.

(2) To prevent unlawful ("disguised") computer access by third parties other than shareholders, and prevent the contents of voting rights that have been exercised from being falsified, shareholders will be requested to change the "temporary password" on the voting rights exercise site. Your understanding and cooperation are appreciated.

(3) Shareholders will be notified of their new Login ID and temporary password each time a General Meeting of the Shareholders is convened.

3. Administration of voting rights when voting rights are exercised two or more times

(1) In the event a shareholder exercises voting rights more than one time by regular mail and the Internet, the Company will consider the voting rights exercised using the Internet to be the effective voting rights.

(2) When a shareholder exercises voting rights several times using the Internet, the Company will consider the most recently exercised voting rights to be the effective voting rights. When a shareholder exercises voting rights several times using a personal computer, smartphone or cellular phone, the Company will consider the most recently exercised voting rights to be the effective voting rights.

4. Charges incurred when accessing the voting rights exercise site

Shareholders are responsible for all communication charges (dial-up connect charges, rates, etc.) incurred when accessing the voting rights exercise site. When using a cellular phone, shareholders are responsible for all necessary charges for packet transmission fees and other cellular phone usage charges.

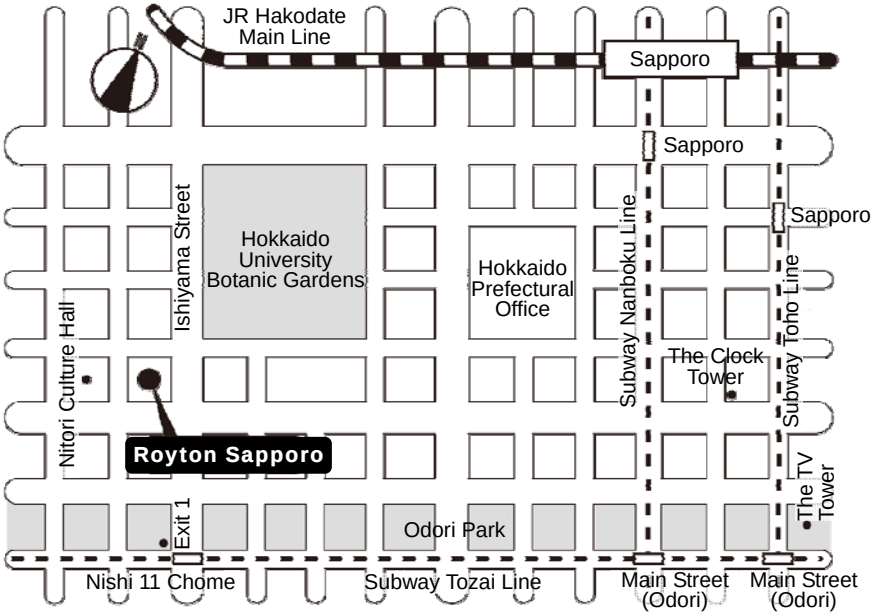
◎Use of the Electronic Proxy Voting Platform for institutional investors

When application has been made in advance to use the Electronic Proxy Voting Platform for institutional investors that is managed by the joint venture company (ICJ, Inc.) established by Tokyo Stock Exchange, Inc., nominal shareholders such as controlling trust banks (including standing proxies) can use this platform as a method to exercise voting rights electronically at the Kanamoto General Meeting of the Shareholders, as an alternative to the exercise of voting rights using the Internet as described above.

< Inquiries concerning operating procedures for the voting rights exercise site and related matters >

Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Div. (Help Desk)
Telephone 0120-173-027 (toll-free service in Japan only)
Hours: 9:00-21:00 (Weekdays, Saturday and Sunday)

Guide Map to the Venue for the 51st Regular General Meeting of the Shareholders




Location: 11-1 Nishi, Kita 1-jo, Chuo-ku, Sapporo, Hokkaido, Japan
Royton Sapporo, 3rd Floor “Royton Hall”
Telephone (011) 271-2711 (Front Desk)

<Nearest stations>
Subway Tozai Line West 11-chome Station Turn left after emerging from Exit 1 at street level; the hotel is about 3 minutes on foot
JR Hokkaido Sapporo Station about 6 minutes by taxi

<Your cooperation is requested>
We ask that attendees please use public transportation facilities because parking will not be provided at the hotel. Your cooperation is appreciated.

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kanamoto 株式会社カナモト
1-19, Odori Higashi 3-chome, Chuo-ku, Sapporo, Hokkaido 060-0041, Japan

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