

To Our Shareholders



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

Notification and Invitation to the 53rd 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 53rd 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 24, 2018 (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. on Wednesday, January 24, 2018 (Japan time).

◎Please refer to the Instructions When Exercising of Voting Rights Using the Internet, etc. provided below on Page 10 to 12.

1. Date and Time Thursday, January 25, 2018, 10:00 a.m. (Reception desk will 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 53rd Business Period (from November 1, 2016 to October 31, 2017)
2. Report of the Company Financial Statements for the 53rd Business Period (from November 1, 2016 to October 31, 2017)

Resolutions to be presented for Shareholder Approval

Resolution Appointment of fourteen (14) individuals to position of Director

◎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.

◎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 53rd 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 53rd 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 Appointment of fourteen (14) individuals to position of Director

The term of office of fourteen (14) Company Directors will terminate at the conclusion of the Regular General Meeting of the Shareholders. Therefore, the Company is requesting approval to appoint fourteen (14) individuals to the position of Director.

Information on the candidates for Director is provided below.

Nominee number	Name	Position and duties at Kanamoto	Attribute of candidate		
1	Kanchu Kanamoto	Chairman of the Board and Representative Director	Reappointment		
2	Tetsuo Kanamoto	President and CEO, Corporate Officer, General Manager, Business Coordination Headquarters	Reappointment		
3	Nobuhito Utatsu	Director, Senior Executive Corporate Officer Division Manager, Accounting Division serving concurrently as General Manager, Public Relations Office, Manager in charge of Credit Management Division & Information Systems Division, and Manager, Bill Collection Center	Reappointment		
4	Hitoshi Narita	Director, Corporate Officer, Division Manager, Management Planning Division	Reappointment		
5	Tatsuo Kanamoto	Director, Corporate Officer Division Manager, Construction Equipment Rental Division serving concurrently as Regional Manager, Construction Equipment Rental Division Hokkaido Region and Manager in charge of Steel Sales Division	Reappointment		
6	Masakazu Hirata	Director, Corporate Officer Deputy Division Manager, Construction Equipment Rental Division serving concurrently as Division Manager, Used Equipment Sales Division	Reappointment		
7	Hiroyuki Isono	Director, Corporate Officer, Division Manager, Administration Division serving concurrently as General Manager, Secretary Office	Reappointment		
8	Manabu Nagasaki	Director, Corporate Officer	Reappointment		
9	Yuichi Asano	Director, Corporate Officer, Division Manager, Credit Management Division	Reappointment		
10	Naoki Mukunashi	Director, Corporate Officer, Assistant to General Manager, Business Coordination Headquarters serving concurrently as Division Manager, Overseas Business Office	Reappointment		
11	Kazunori Hashiguchi	Director, Corporate Officer Assistant to General Manager, Business Coordination Headquarters serving concurrently as General Manager, Market Development Office, and General Manager, Information Products Division, and General Manager, Event Marketing Division, and Manager, New Products Office	Reappointment		
12	Susumu Naito	Outside Director	Reappointment	Outside	Independent
13	Masayuki Oikawa	Outside Director	Reappointment	Outside	Independent
14	Motoki Yonekawa	Outside Director	Reappointment	Outside	Independent

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. November 1981 Promoted to Director January 1990 Promoted to Executive Director April 1996 Promoted to Executive Vice President June 1998 Promoted to President and CEO January 2001 Promoted to Corporate Officer November 2016 Promoted to Chairman of the Board and Representative Director (Present position) [Main concurrent positions at other entities] Chairman of the Board, Shanghai Jinheyuan Engineering Construction Co., Ltd.		487,900 shares
		[The reason that the Company has proposed Kanchu Kanamoto as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of Chairman of the Board and Representative Director of the Company. He has been engaged in corporate management as a director of the Company for 36 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. September 2000 Regional Manager, Construction Equipment Rental Division Kanto Region April 2001 Promoted to Corporate Officer November 2002 Division Manager, Construction Equipment Rental Division January 2004 Promoted to Director June 2005 Manager, Business Coordination Headquarters (Present position) April 2012 Promoted to Senior Corporate Officer November 2014 Promoted to Senior Vice President and Corporate Officer November 2016 Promoted to President and CEO and Corporate Officer (Present position) [Main concurrent positions at other entities] President and Representative Director, Toyo Industry Co., Ltd. Chairman of the Board and Representative Director, Unite Co., Ltd. Chairman of the Board and Representative Director, KG Flowtechno Co., Ltd. Chairman of the Board, KANAMOTO (HK) CO., LTD. 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] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of President and CEO, 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 14 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.		
3	Nobuhito Utatsu (October 9, 1948) [Reappointment]	April 1998 Joined Kanamoto Co., Ltd. June 1998 Acting Division Manager, Accounting Division Division Manager, Accounting Division (Present position) January 1999 Promoted to Director January 2001 Promoted to Corporate Officer January 2003 Promoted to Director (Present position) January 2007 Manager in charge of Credit Management Division & Information Systems Division (Present position) November 2008 Promoted to Manager, Bill Collection Center (Present position) April 2012 Promoted to Senior Corporate Officer November 2014 Promoted to Senior Executive Corporate Officer (Present position) November 2016 General Manager, Public Relations Office (Present position)		8,300 shares
		[The reason that the Company has proposed Nobuhito Utatsu as a candidate for Director] 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 15 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.		

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
4	Hitoshi Narita (July 10, 1957) [Reappointment]	November 1981 January 2000	Joined Kanamoto Co., Ltd. Division Manager, Business Planning Division (Currently Management Planning Division) (Present position)	7,000 shares
		January 2001 January 2004 [Main concurrent positions at other entities] President and Representative Director, Kanatech Co., Ltd.	Promoted to Corporate Officer (Present position) Promoted to Director (Present position)	
[The reason that the Company has proposed Hitoshi Narita as a candidate for Director] 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 14 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.				
5	Tatsuo Kanamoto (February 2, 1962) [Reappointment]	April 1994 April 2001 January 2003 April 2003 April 2005 January 2007 February 2012 February 2014 February 2016 April 2016 November 2016	Joined Kanamoto Co., Ltd. Regional Manager, Construction Equipment Rental Division Kinki-Chubu Region Promoted to Corporate Officer (Present position) Regional Manager, Construction Equipment Rental Division Tohoku Region Regional Manager, Construction Equipment Rental Division Hokkaido Region (Present position) Promoted to Director (Present position) Promoted to Deputy Division Manager, Construction Equipment Rental Division General Manager, Steel Sales Division Manager in charge of Steel Sales Division (Present position) Regional Manager, Construction Equipment Rental Division Kanto & Koshinetsu Region Division Manager, Construction Equipment Rental Division (Present position)	90,000 shares
		[The reason that the Company has proposed Tatsuo Kanamoto as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the 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 11 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.		
6	Masakazu Hirata (March 20, 1950) [Reappointment]	January 1975 April 1997 January 2001 July 2001 January 2006	Joined Kanamoto Co., Ltd. Deputy Division Manager, Construction Equipment Rental Division Hokkaido Region, serving concurrently as Regional Coordination Manager, Repair and Maintenance Hokkaido Region Promoted to Corporate Officer Deputy Division Manager, Construction Equipment Rental Division, serving concurrently as Division Manager, Used Equipment Sales Division (Present position) Manager, Quality Assurance Office Promoted to Director (Present position)	22,000 shares
		[The reason that the Company has proposed Masakazu Hirata as a candidate for Director] 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 and the Repair and Maintenance divisions. He has been engaged in corporate management as a director of the Company for 12 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.		

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
7	Hiroyuki Isono (August 31, 1951) [Reappointment]	December 2005	Joined Kanamoto Co., Ltd. Division Manager, Administration Division (Present position)	24,900 shares
		May 2006	Promoted to Corporate Officer (Present position)	
		November 2006	General Manager, Office of the President	
		January 2007	Promoted to Director (Present position)	
		November 2016	General Manager, Secretary Office (Present position)	
[The reason that the Company has proposed Hiroyuki Isono as a candidate for Director] 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 11 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.				
8	Manabu Nagasaki (November 29, 1963) [Reappointment]	September 1986	Joined Kanamoto Co., Ltd.	—
		April 2005	Regional Manager, Construction Equipment Rental Division Tohoku Region	
		January 2006	Promoted to Corporate Officer (Present position)	
		January 2007	Promoted to Director (Present position)	
		May 2010	Regional Manager, Construction Equipment Rental Division Kanto Region	
		November 2013	Regional Manager, Construction Equipment Rental Division Kanto and Shinetsu Region	
		April 2016	Regional Manager, Construction Equipment Rental Division Kyushu Region	
		[Main concurrent positions at other companies] Representative Director and President, NISHIKEN CO., LTD.		
[The reason that the Company has proposed Manabu Nagasaki as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the manager responsible for the associated companies. He has been engaged in corporate management as a director of the Company for 11 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.				
9	Yuichi Asano (February 22, 1955) [Reappointment]	September 2000	Joined Kanamoto Co., Ltd.	2,900 shares
		April 2003	Promoted to Corporate Officer (Present position)	
			Division Manager, Credit Management Division serving concurrently as General Manager, Auditing Office and General Manager, Legal Office (Present position)	
		January 2009	Promoted to Director (Present position)	
[The reason that the Company has proposed Yuichi Asano as a candidate for Director] 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 9 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.				
10	Naoki Mukunashi (September 8, 1956) [Reappointment]	April 2006	Joined Kanamoto Co., Ltd. General Manager, Business Coordination Headquarters	—
		November 2006	Assistant to General Manager, Business Coordination Headquarters serving concurrently as Manager, Overseas Business Office (now Division Manager, Overseas Business Office) (Present position)	
		January 2007	Promoted to Corporate Officer (Present position)	
		January 2009	Promoted to Director (Present position)	
[The reason that the Company has proposed Naoki Mukunashi as a candidate for Director] 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 9 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.				

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
11	Kazunori Hashiguchi (March 28, 1960) [Reappointment]	January 2012	Joined Kanamoto Co., Ltd. and appointed Director (Present position) Corporate Officer, assistant to General Manager, Business Coordination Headquarters (Present position)	200 shares
		April 2012	Division Manager, Information Products Division serving concurrently as Division Manager, Market Development Division (now General Manager, Market Development Office) (Present position)	
		November 2013	General Manager, Construction Equipment Rental Division Event Marketing Division serving concurrently as Manager, New Products Office (Present position)	
		February 2016	General Manager, Information Products Division (Present position)	
[The reason that the Company has proposed Kazunori Hashiguchi as a candidate for Director] 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 6 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.				
12	Susumu Naito July 4, 1967 [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 1990	Joined ORIX Corporation	—
		November 2011	General Manager of Electric Power Business Department of ORIX Corporation	
		May 2012	General Manager of Electric Power Business Department of ORIX Corporation Promoted to President of ORIX Electric Power Corporation	
		March 2013	General Manager of Sales Department I of ORIX Corporation	
		January 2016	Trustee, Deputy Head of Tokyo Sales Headquarters, General Manager of Sales Department I of ORIX Corporation	
		January 2017	Trustee, Deputy Head of Eastern Japan Sales Headquarters of ORIX Corporation (Present position) President and Representative Director of ORIX Food Supply Corporation (Present position) Outside Director of Kanamoto Co., Ltd. (Present position)	
[The reason that the Company has proposed Susumu Naito as a candidate for Outside Director] Since he has successively held responsible positions in ORIX Corporation, and furthermore, has gained experience of management of its subsidiary, he can use his extensive experience and knowledge cultivated to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. [Matters concerning independency] He has fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and 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 Susumu Naito as an "independent officer" as provided by the rules etc. of both exchanges.				

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
13	Masayuki Oikawa May 9, 1967 [Reappointment] [Candidate for Outside Director] [Independent Officer]	July 1997 April 2006 March 2009 November 2012 January 2017	Joined ORIX Corporation Branch Manager of Kashiwa Branch Office of ORIX Corporation Branch Manager of Koriyama Branch Office of ORIX Corporation Branch Manager of Shizuoka Branch Office of ORIX Corporation Hokkaido Block General Manager, Eastern Japan Sales Headquarters of ORIX Corporation (Present position) Outside Director of Kanamoto Co., Ltd. (Present position)	—
	<p>[The reason that the Company has proposed Masayuki Oikawa as a candidate for Outside Director] Although he has not participated in corporate management, as he has successively held responsible positions in ORIX Corporation, he can use his extensive experience and knowledge cultivated to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities.</p> <p>[Matters concerning independency] He has fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and 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 Masayuki Oikawa as an "independent officer" as provided by the rules etc. of both exchanges.</p>			
14	Motoki Yonekawa December 22, 1946 [Reappointment] [Candidate for Outside Director] [Independent Officer]	May 1985 April 1996 April 2007 September 2011 January 2016	Vice President of Sapporo Hokuyu Hospital President of Sapporo Hokuyu Hospital of Medical Corporation Hokuyukai Chairperson of Specified Medical Corporation Hokuyukai Chairperson of Social Medical Corporation Hokuyukai (Present position) Outside Director of Kanamoto Co., Ltd. (Present position)	—
	<p>[The reason that the Company has proposed Motoki Yonekawa as a candidate for Outside Director] Although he has not participated in corporate management, 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.</p> <p>[Matters concerning independency] He has fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and 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 Motoki Yonekawa as an "independent officer" as provided by the rules etc. of both exchanges.</p>			

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

2. Susumu Naito and Masayuki Oikawa are candidates for Outside Director.

3. The terms of office of Motoki Yonekawa, Masayuki Oikawa, and Susumu Naito as Outside Director of the Company will have been two years, one year, and one year respectively at the conclusion of the Regular General Meeting of the Shareholders.

4. 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 contracts if the reappointment of Susumu Naito, Masayuki Oikawa, and Motoki Yonekawa is approved.

5. The details of "criteria for judging the independence of outside directors" set forth by the Company are stated on Page 9.

[Criteria for Judging the Independence of Outside Directors]

The Company has established the following Criteria for Judging the Independence of Outside Directors:

- (1) A person who is not a director involved in executing business operations, an executive officer, corporate officer, manager, auditor, or other employee of the Company or a consolidated subsidiary, or has not been executing business at the Company or a consolidated subsidiary within the previous ten years;
- (2) A person who is not a business partner who has received payments from the Company or a consolidated subsidiary or made payments to the Company or a consolidated subsidiary within the most recent three fiscal years equivalent to more than 2% of either of the party's consolidated sales, or a person who is not currently executing business at that company or has done so within the past three years;
- (3) A person who is not a specialist, such as a consultant, accounting professional or legal profession (or if the specialist is an institution, a person belonging to said institution) who received monetary or other compensation, other than director compensation, equivalent to 10 million yen or more per year on average from the Company within the last three fiscal years, or has received payments from the Company or any of its consolidated subsidiaries equivalent to 2% or more of the office's total sales;
- (4) A person who is not a spouse or relative within the second degree of kinship of, a director, an executive officer or corporate officer of the Company, or a consolidated subsidiary, or a person deemed to be insufficiently independent based on the conditions stipulated in (2) or (3) above;
- (5) A person who is not a major shareholder of the Company holding 10% or more of the current total voting rights or a person executing the business of a major shareholder;
- (6) A person who is not a director, corporate auditor, accounting advisor, executive officer, or corporate officer of a company that accepts directors or auditors from the Company or a consolidated subsidiary, its parent company, or subsidiary; or
- (7) A certified public accountant (or certified tax accountant) or staff, partner, or employee of the auditing corporation (or certified tax accounting firm) serving as the Company's or a consolidated subsidiary's accounting auditor or accounting advisor, or a person who has been in charge of auditing operations for the Company or a consolidated subsidiary within the past three years.

Guidance on Methods for Exercise of Voting Rights

The right to vote at the general meeting of shareholders is an important right enabling all shareholders to participate in the Company's management. Please refer to the information below and exercise your voting right using one of the three methods below.



Attending the General Meeting of the Shareholders

Please submit the Form for Exercising Voting Rights at the reception desk (it does not need to be sealed).

Date and time of the Meeting: Thursday, January 25, 2018, 10:00 a.m.



Mailing the Form for Exercising Voting Rights

Please mail the Form for Exercising Voting Rights after indicating your approval or disapproval of the resolution on the form.

Deadline: To be returned by Wednesday, January 24, 2018, 5:00 p.m.

Guidance on filling in the Form for Exercising Voting Rights

Please indicate your approval or disapproval of the resolution here.

[Resolution]

If you approve all candidates, put a circle in "approval" box.

If you disapprove all candidates, put a circle in "disapproval" box.

If you disapprove of some candidates, put a circle in "approval" box, and write the candidates' number of whom you disapprove in the parenthesis.

The login ID and temporary password needed to exercise voting rights via the Internet are noted here.

* If attending the meeting on the scheduled date, exercising the voting right via mail or the Internet, etc. is unnecessary.



Exercise of voting rights using the Internet, etc.

Please access the voting rights exercise site (<http://www.evote.jp/>), and input your votes separately to approve or reject each proposal.

Deadline: Wednesday, January 24, 2018, 5:00 p.m.

Please refer to the following pages for details.

Instructions When Exercising of Voting Rights Using the Internet, etc.

Please exercise your voting rights using the Internet, etc. by accessing the exclusive site for exercise of voting rights specified by the Company (hereafter, voting rights exercise site) and voting after confirming the instructions below.

If you have any questions, please contact “Inquiries concerning system environment, etc.” (Help Desk), described below.

If attending the meeting on the scheduled date, exercising the voting right via mail or the Internet, etc. is unnecessary.

1. Voting rights exercise site

Voting rights exercise site: <http://www.evot.jp/>

- (1) Exercise of voting rights using the Internet, etc. can only be completed by accessing the exclusive site for exercise of voting rights from a personal computer or smartphone. (However, administration is halted daily from 2:00 a.m. until 5:00 a.m.)
- (2) Shareholders may be unable to use the voting rights exercise site 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) Voting rights exercised by the Internet, etc. will be accepted until 5:00 p.m. on Wednesday, January 24, 2018 (Japan time). Shareholders are encouraged to exercise their votes promptly.

2. Procedure for exercise of voting rights using the Internet, etc.

- (1) Use the Login ID and temporary password recorded on the Form for Exercising Voting Rights to access the voting rights exercise site, 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 a person 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 when voting rights are exercised two or more times

- (1) When a shareholder exercises voting rights by both mailing in the Form for Exercising Voting Rights and using the Internet, etc., the Company will consider the voting rights exercised using the Internet, etc. to be the effective voting rights.
- (2) When a shareholder exercises voting rights several times using the Internet, etc., 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 (provider connect charges, communication fees, etc.) incurred when accessing the voting rights exercise site.

Please make inquiries to the help desk below with any questions.

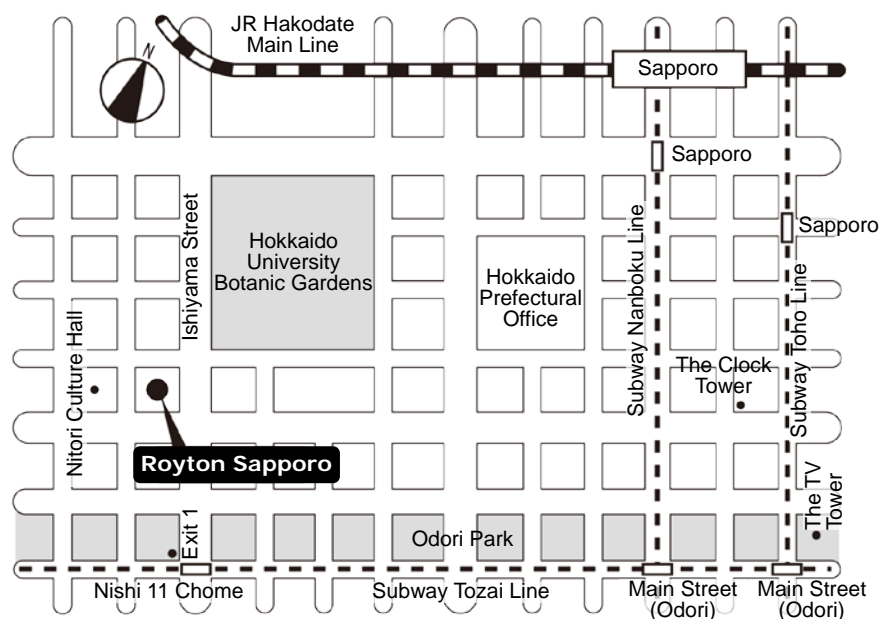
< Inquiries concerning system environment, etc. >

Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Div. (Help Desk)

Telephone 0120-173-027 (Hours: 9:00-21:00, toll-free service in Japan only)

To institutional investors

The Company participates in electronic proxy voting platform for institutional investors operated by ICJ Inc.



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.



1-19, Odori Higashi 3-chome, Chuo-ku, Sapporo, Hokkaido 060-0041, Japan

