

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 54th 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 54th 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 in writing (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 Monday, January 28, 2019 (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 Monday, January 28, 2019 (Japan time).

©Please refer to the Instructions When Exercising of Voting Rights Using the Internet, etc. provided below on Page 13 to 15.

1. Date and Time Tuesday, January 29, 2019, 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 54th Business Period (from November 1, 2017 to October 31, 2018)
2. Report of the Company Financial Statements for the 54th Business Period (from November 1, 2017 to October 31, 2018)

Resolutions to be presented for Shareholder Approval

Resolution #1 Appointment of twelve (12) individuals to position of Director

Resolution #2 Appointment of four (4) individuals to 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.

◎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 54th 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 54th 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 twelve (12) 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 twelve (12) individuals to the position of Director, lowering the number by two (2) to enhance the efficiency of the management system.

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 | Hitoshi Narita | Director, Corporate Officer, Division Manager, Management Planning Division | Reappointment | | |
| 4 | 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 | | |
| 5 | Masakazu Hirata | Director, Corporate Officer Deputy Division Manager, Construction Equipment Rental Division serving concurrently as Division Manager, Used Equipment Sales Division | Reappointment | | |
| 6 | Hiroyuki Isono | Director, Corporate Officer, Division Manager, Administration Division serving concurrently as General Manager, Secretary Office | Reappointment | | |
| 7 | Manabu Nagasaki | Director, Corporate Officer | Reappointment | | |
| 8 | Yuichi Asano | Director, Corporate Officer, Division Manager, Credit Management Division | Reappointment | | |
| 9 | Kazunori Hashiguchi | Director, Corporate Officer, Division Manager, Human Resources Division serving concurrently as General Manager, Market Development Office | Reappointment | | |
| 10 | Susumu Naito | Outside Director | Reappointment | Outside | Independent |
| 11 | Masayuki Oikawa | Outside Director | Reappointment | Outside | Independent |
| 12 | 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, Kanamoto (China) Investment Co., Ltd. | | 488,200 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 37 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 General 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 15 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 | Hitoshi Narita (July 10, 1957) [Reappointment] | November 1981 Joined Kanamoto Co., Ltd. January 2000 Division Manager, Business Planning Division (now Management Planning Division) (Present position) January 2001 Promoted to Corporate Officer (Present position) January 2004 Promoted to Director (Present position) [Main concurrent positions at other entities] President and Representative Director, Kanatech Co., Ltd. | | 7,000 shares |
| | | [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 15 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. | | |

| 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 | 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 12 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. | | |
| 5 | 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) General 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 13 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. | | |
| 6 | Hiroyuki Isono (August 31, 1951) [Reappointment] | December 2005 May 2006 November 2006 January 2007 November 2016 | Joined Kanamoto Co., Ltd. Division Manager, Administration Division (Present position) Promoted to Corporate Officer (Present position) General Manager, Office of the President Promoted to Director (Present position) General Manager, Secretary Office (Present position) | 25,300 shares |
| | | [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 12 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. | | |

| 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 | Manabu Nagasaki (November 29, 1963) [Reappointment] | September 1986 April 2005 | Joined Kanamoto Co., Ltd. Regional Manager, Construction Equipment Rental Division Tohoku Region | |
| | | January 2006 January 2007 May 2010 November 2013 April 2016 | Promoted to Corporate Officer (Present position) Promoted to Director (Present position) Regional Manager, Construction Equipment Rental Division Kanto Region Regional Manager, Construction Equipment Rental Division Kanto and Shinetsu Region 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 12 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 | Yuichi Asano (February 22, 1955) [Reappointment] | September 2000 April 2003 | Joined Kanamoto Co., Ltd. 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) | 3,000 shares |
| | | 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 10 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. | | | | |
| 9 | Kazunori Hashiguchi (March 28, 1960) [Reappointment] | January 2012 | Joined Kanamoto Co., Ltd. and appointed Corporate Officer (Present position) Assistant to General Manager, Business Coordination Headquarters | 500 shares |
| | | April 2012 November 2013 February 2016 November 2018 | Promoted to Director (Present position) Division Manager, Information Products Division (Present position) Division Manager, Market Development Division (now General Manager, Market Development Office) (Present position) Manager in charge of Construction Equipment Rental Division Event Marketing Division serving concurrently as Manager in charge of New Products Office Manager in charge of Information Products Division Division Manager, Human Resources 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 7 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. | | | | |

| 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 |
|---|--|---|---|---|
| 10 | Susumu Naito (July 4, 1967) [Reappointment] [Candidate for Outside Director] [Independent Officer] | April 1990 November 2011 | Joined ORIX Corporation General Manager, Electric Power Business Department, ORIX Corporation | — |
| | | May 2012 | General Manager, Electric Power Business Department, ORIX Corporation Promoted to President, ORIX Electric Power Corporation | |
| | | March 2013 | General Manager, Sales Department I, ORIX Corporation | |
| | | January 2016 | Trustee, Deputy Head, Tokyo Sales Headquarters, General Manager, Sales Department I, ORIX Corporation | |
| | | January 2017 | Trustee, Deputy Head, Eastern Japan Sales Headquarters, ORIX Corporation (Present position) President and Representative Director, ORIX Food Supply Corporation Outside Director, Kanamoto Co., Ltd. (Present position) | |
| | | June 2018 | Director, Hyakugo Leasing Company Limited (Present position) | |
| <p>[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.</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 Susumu Naito as an "independent officer" as provided by the rules etc. of both exchanges.</p> | | | | |
| 11 | Masayuki Oikawa (May 9, 1967) [Reappointment] [Candidate for Outside Director] [Independent Officer] | July 1997 April 2006 | Joined ORIX Corporation Branch Manager, Kashiwa Branch Office, ORIX Corporation | — |
| | | March 2009 | Branch Manager, Koriyama Branch Office, ORIX Corporation | |
| | | November 2012 | Branch Manager, Shizuoka Branch Office, ORIX Corporation | |
| | | January 2017 | Hokkaido Block General Manager, Eastern Japan Sales Headquarters, ORIX Corporation (Present position) Outside Director, 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> | | | | |

| 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 |
|----------------|---|---|---|---|
| 12 | Motoki Yonekawa December 22, 1946 [Reappointment] [Candidate for Outside Director] [Independent Officer] | May 1985 April 1996 April 2007 September 2011 January 2016 | Vice President, Sapporo Hokuyu Hospital President, Sapporo Hokuyu Hospital of Medical Corporation Hokuyukai Chairperson, Specified Medical Corporation Hokuyukai Chairperson, Social Medical Corporation Hokuyukai (Present position) Outside Director, 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, Masayuki Oikawa, and Motoki Yonekawa are candidates for Outside Director.
3. The terms of office of Motoki Yonekawa, Susumu Naito and Masayuki Oikawa as Outside Director of the Company will have been three years, two years, and two years 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.

Resolution #2 Appointment of four (4) individuals to position of Corporate Auditor

Among the six (6) currently serving Corporate Auditors, the term of office for Eichu Kanamoto, Naoyuki Yokota, Kiyohiro Tsuji and Koji Soga, will terminate at the conclusion of the Regular General Meeting of the Shareholders. The Company is requesting approval to appoint four (4) individuals 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.

| Nominee number | Name | Position at Kanamoto | Attribute of candidate | |
|----------------|----------------------|----------------------------|------------------------|-------------|
| 1 | Eichu Kanamoto | Standing Corporate Auditor | Reappointment | |
| 2 | Naoyuki Yokota | Standing Corporate Auditor | Reappointment | |
| 3 | Noriaki Ikushima | — | New appointment | Independent |
| 4 | Katsunori Matsushita | — | New appointment | Independent |

| Nominee number | Name (Date of birth) | Employment history and position at Kanamoto (Main concurrent positions at other entities) | | Number of shares of Kanamoto stock owned |
|--|--|--|--|---|
| 1 | Eichu Kanamoto (July 26, 1949) [Reappointment] | June 1975 January 1990 | Joined Kanamoto Co., Ltd. Promoted to Director, Regional Manager, Construction Equipment Rental Division Tohoku Region | 308,800 shares |
| | | May 1996 | Division Manager, Credit Management Division serving concurrently as General Manager, Auditing Office | |
| | | January 2001 January 2003 April 2003 | Promoted to Corporate Officer Promoted to Director Division Manager, Administration Division serving concurrently as Manager in charge of Credit Management Division and Manager in charge of Auditing Office | |
| | | December 2005 | Manager in charge of Administration Division and Credit Analysis Section, Credit Management Division serving concurrently as Chair, Internal Control Project team | |
| | | January 2007 | Standing Corporate Auditor (Present position) | |
| [The reason that the Company has proposed Eichu Kanamoto as candidate for Corporate Auditor] He has fulfilled his duties appropriately by auditing the management status based on his extensive experience and knowledge cultivated since his appointment as director. Based on the above facts, the Company has judged him to be suitable as a corporate auditor of the Company and has continued to appoint him as a candidate for corporate auditor. | | | | |
| 2 | Naoyuki Yokota (July 20, 1954) [Reappointment] | April 1979 January 2004 | Joined Hokuyo Sogo Bank, Ltd. (now North Pacific Bank, Ltd.) Branch Manager, Docho Branch serving concurrently as Manager, Docho Annex Sub Branch, North Pacific Bank, Ltd. | - |
| | | April 2006 | Branch Manager, Fukagawa Branch, North Pacific Bank, Ltd. | |
| | | April 2009 | Branch Manager, Shiroishi-chuo Branch, North Pacific Bank, Ltd. | |
| | | January 2011 | Standing Corporate Auditor (Present position) | |
| [The reason that the Company has proposed Naoyuki Yokota as candidate for Corporate Auditor] Although he has not participated in corporate management, he has fulfilled his duties appropriately by auditing the financial status based on his extensive experience and knowledge cultivated in the financial field. Based on the above facts, the Company has judged him to be suitable as a corporate auditor of the Company and has continued to appoint him as a candidate for corporate auditor. | | | | |
| 3 | Noriaki Ikushima (June 7, 1952) [New appointment] [Independent Officer] | July 1977 April 2001 | Entered the service of Sapporo City Hall Director, Citizen Affairs Department, Chuo Ward Office, City of Sapporo | - |
| | | April 2003 | Director, Finance Department, Finance Bureau, City of Sapporo | |
| | | April 2005 | Director General, City Administration Promotion Office, General Affairs Bureau, City of Sapporo | |
| | | April 2007 | Director General, General Affairs Bureau, City of Sapporo | |
| | | April 2009 | Vice Mayor, City of Sapporo | |
| | | May 2015 May 2015 | Resigned as Vice Mayor, City of Sapporo Secretary General, the Eighth Asian Winter Games Committee | |
| | | March 2018 | Resigned as Secretary General, the Eighth Asian Winter Games Committee | |
| [The reason that the Company has proposed Noriaki Ikushima as candidate for Outside Corporate Auditor] Although he has not participated in corporate management, he can use his extensive experience and knowledge from his involvement in administration and management through his participation in municipal government to contribute to the auditing system 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 "independent officer" provided by the rules etc. of the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed. If his appointment is approved, the Company plans to notify him as an "independent officer." | | | | |

| Nominee number | Name (Date of birth) | Employment history and position at Kanamoto (Main concurrent positions at other entities) | Number of shares of Kanamoto stock owned |
|---|--|--|---|
| 4 | Katsunori Matsushita (July 25, 1959) [New appointment] [Independent Officer] | <p>April 1983 Joined Hokkaido Sogo Bank, Ltd. (now North Pacific Bank, Ltd.)</p> <p>October 2008 Manager, Planning Section II, Management Planning Department, North Pacific Bank, Ltd.</p> <p>May 2010 Deputy General Manager, Management Planning Department serving concurrently as Manager, Planning Section II, North Pacific Bank, Ltd.</p> <p>January 2011 Branch Manager, Sapporo Nishi Branch serving concurrently as Manager, Sapporo Medical University Hospital Sub Branch, North Pacific Bank, Ltd.</p> <p>April 2013 General Manager, Corporate Business Department, Head Office, North Pacific Bank, Ltd.</p> <p>June 2014 Executive Officer, Deputy Head Office Manager, North Pacific Bank, Ltd.</p> <p>June 2016 Director, North Pacific Bank, Ltd.</p> <p>June 2018 Audit & Supervisory Board Member, North Pacific Bank, Ltd. (Present position)</p> | — |
| <p>[The reason that the Company has proposed Katsunori Matsushita as candidate for Outside Corporate Auditor] He has successively held responsible positions in North Pacific Bank, Ltd., can use his extensive experience and knowledge cultivated in the corporate management and financial field to contribute to the auditing system 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 "independent officer" provided by the rules etc. of the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed. If his appointment is approved, the Company plans to notify him as an "independent officer."</p> | | | |

(Notes) 1. There is no special interest between any of the candidates for Corporate Auditor and the Company.

2. Noriaki Ikushima and Katsunori Matsushita are candidates for Outside Corporate Auditor.

3. 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 enter into a limited liability agreement with Noriaki Ikushima and Katsunori Matsushita, if the appointment of them is approved.

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: Tuesday, January 29, 2019, 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 each resolution on the form.

Deadline: To be returned by Monday, January 28, 2019, 5:00 p.m.

Guidance on filling in the Form for Exercising Voting Rights

Please indicate your approval or disapproval of each resolution here.

| 議決権行使書 | |
|---------|-----|
| 株式会社ナモト | |
| 株主名 氏名 | |
| 〒 月 日 | |
| 〒 月 日 | |
| 第1号議案 | 賛 否 |
| 第2号議案 | 賛 否 |

[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 (<https://evote.tr.mufg.jp/>), and input your votes separately to approve or reject each proposal.

Deadline: Monday, January 28, 2019, 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: <https://evote.tr.mufg.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 Monday, January 28, 2019 (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. >

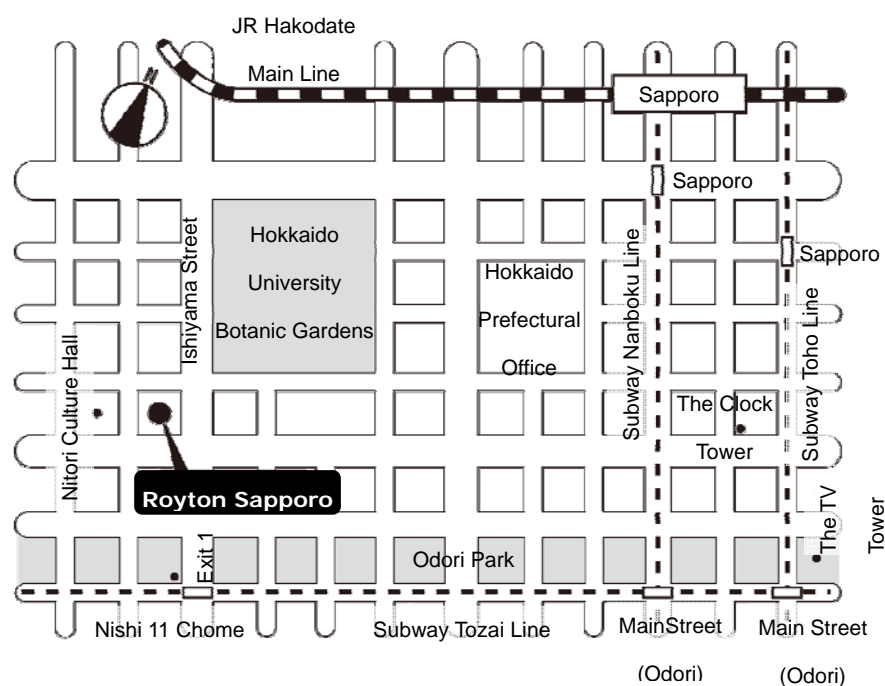
Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Div. (Help Desk)

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.

Guide Map to the Venue for the 54th 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.



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

