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Securities Code: 6369

June 6, 2018

To our shareholders:

Toru Yanagawa  
President and Representative Director  
**TOYO KANETSU K.K.**  
11-1 Minamisuna 2-chome, Koto-ku, Tokyo

## Notice of the 110th Annual General Meeting of Shareholders

You are cordially invited to attend the 110th Annual General Meeting of Shareholders of TOYO KANETSU K.K. (the "Company"), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or by electronic methods (the Internet, etc.). Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights.

### Instructions for the Exercise of Voting Rights

#### Exercising voting rights by attending the General Meeting of Shareholders

Please submit the enclosed voting form to the reception on the day of the meeting.

#### Exercising voting rights by mail (in writing)

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company by postal mail so that your vote is received by 5:30 p.m. on Wednesday, June 27, 2018 (JST).

#### Exercising voting rights via the Internet, etc.

Please access the website specified by the Company for exercising your voting rights (<https://evote.tr.mufg.jp/>) and exercise your voting rights 5:30 p.m. on Wednesday, June 27, 2018 (JST).

\* The Company participates in the electronic voting platform.

**1. Date and Time:** Thursday, June 28, 2018, 10:00 a.m. (JST) (Reception will open at 9:00 a.m.)

**2. Venue:** Large Hall, 3F, The Industry Club of Japan  
4-6 Marunouchi 1-chome, Chiyoda-ku, Tokyo

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 110th fiscal year (from April 1, 2017 to March 31, 2018), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 110th fiscal year (from April 1, 2017 to March 31, 2018)

#### Matters to be resolved:

- |                       |  |
|-----------------------|--|
| <b>Proposal No. 1</b> | Appropriation of Surplus   |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation                            |
| <b>Proposal No. 3</b> | Election of Four Directors (Excluding Audit and Supervisory Committee Members) |

- If you attend the meeting in person, please submit the enclosed voting form to the reception. In addition, please bring this notice with you for reference during the meeting.
- If there are any modifications to the Reference Documents for General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements, such modifications will be published on the Company's website.

The Company's website (<http://www.toyokanetsu.co.jp/>)

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company recognizes the return of profit to its shareholders as a key management priority, and has been maintaining a basic policy for the return of profit to shareholders to optimize the balance between financial soundness and the return of profit to its shareholders.

In addition, based on the financial situation and forecasts of upcoming performance, the Company formulated a basic capital policy that comprehensively takes into account the distribution of profits and capital efficiency to make proactive investments towards the enhancement of corporate value and realize sustainable growth and development.

In accordance with the above basic capital policy and policy for the return of profit to shareholders, the Company proposes to pay year-end dividends for the 110th fiscal year as follows:

Year-end dividends

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount  
The Company proposes to pay a dividend of ¥100 per common share of the Company.  
In this event, the total dividends will be ¥930,203,100.
- (3) Effective date of dividends of surplus  
June 29, 2018

<Reference>

Policy for return of profit to shareholders

- Consolidated dividend payout ratio: set at 30% or more.  
(However, the lower limit will be set at ¥10 per share annually [¥100 per share annually from the fiscal year ended March 31, 2018 due to the share consolidation conducted on October 1, 2017].)
- Consolidated total return ratio: set at 100% or more, flexibly implementing acquisition of treasury shares.  
(However, this limit does not apply where a large scale demand for funds arises.)
- Effective period of the policy: For three fiscal years, from the fiscal year ended March 31, 2017, to the fiscal year ending March 31, 2019. A review will be made at the expiry of the period.

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The Company resolved at the Board of Directors meeting held on May 11, 2018 to merge TOYO KANETSU SOLUTIONS K.K., a wholly-owned subsidiary of the Company, with the Company by an absorption-type merger with an effective date of April 1, 2019. The Company proposes to amend the business objectives to unify the objectives of these two companies following the merger and clarify the description of business.
- (2) The Company has adopted the Executive Officer system to accelerate the execution of business and clarify responsibilities, and proposes to establish new provisions for Executive Officers and amend the wording of related provisions to enable the appointment of the President not only from Directors but also from Executive Officers, thereby enabling a flexible establishment of an optimum management system.
- (3) The number of articles will be changed as part of the above changes.

2. Details of the amendments

The details of the amendments are as follows:

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed amendment
<p>Article 1. (Omitted)</p> <p>(Objectives)</p> <p>Article 2.</p> <p>The objectives of the Company shall be to engage in the following types of business:</p> <ol style="list-style-type: none"> <li>1. Planning, design, manufacture, installation and sale of oil storage tanks, water storage tanks, low-temperature storage tanks, pressure tanks, steel-framed bridges and marine structures.</li> <li>2. Planning, design, manufacture, installation and sale of chemical machinery, power machinery and conveying machinery.</li> <li>3. Planning, design, manufacture, execution and supervision of architectural works, civil works and piping works.</li> <li>4. Information processing services by computer and development and sale of computer-related software. (Newly established)</li> <li>5.  (Newly established)</li> <li>6.  (Newly established)</li> <li>7.  (Newly established)</li> <li>8. Purchasing, selling, leasing, renting and managing of real estates, and brokerage.</li> <li>9. Money lending, and sales and purchase of securities.</li> <li>10. <u>Business and works consigned by subsidiaries and affiliates.</u></li> <li>11. Temporary staffing services</li> <li>12. Any and all business incidental to any of the foregoing items.</li> </ol> <p>Article 3. to Article 15. (Omitted)</p>	<p>Article 1. (Unchanged)</p> <p>(Objectives)</p> <p>Article 2.</p> <p>The objectives of the Company shall be to engage in the following types of business:</p> <ol style="list-style-type: none"> <li>1. Planning, design, manufacture, installation and sale of oil storage tanks, water storage tanks, low-temperature storage tanks, pressure tanks, steel-framed bridges and marine structures.</li> <li>2. Planning, design, manufacture, installation and sale of chemical machinery, power machinery and conveying machinery.</li> <li>3. Planning, design, manufacture, execution and supervision of architectural works, civil works and piping works.</li> <li>4. Information processing services by computer and development and sale of computer-related software.</li> <li>5. <u>Consulting related to the construction of logistics business and logistics systems.</u></li> <li>6. <u>Design, manufacture, installation, maintenance and sale of logistics systems, including information systems.</u></li> <li>7. <u>Design, manufacture, installation, maintenance and sale of conveying machinery and equipment and automatic control systems, and trade of used products and parts.</u></li> <li>8. <u>Administration of logistics centers.</u></li> <li>9. Purchasing, selling, leasing, renting and managing of real estates, and brokerage.</li> <li>10. Money lending, and sales and purchase of securities. (Deleted)</li> <li>11. Temporary staffing services</li> <li>12. Any and all business incidental to any of the foregoing items.</li> </ol> <p>Article 3. to Article 15. (Unchanged)</p>

Current Articles of Incorporation	Proposed amendment
(Person authorized to convene and chairman)	(Person authorized to convene and chairman)
Article 16.	Article 16.
<ol style="list-style-type: none"> <li>1. The general meeting shall be convened and chaired by the <u>President</u>.</li> <li>2. If the <u>President</u> is unable to act, another Director shall act in place of the <u>President</u> in the order previously determined by the Board of Directors.</li> </ol>	<ol style="list-style-type: none"> <li>1. The general meeting shall be convened and chaired by the <u>Representative Director</u>.</li> <li>2. If the <u>Representative Director</u> is unable to act, another Director shall act in place of the <u>Representative Director</u> in the order previously determined by the Board of Directors.</li> </ol>
Article 17. (Omitted)	Article 17. (Unchanged)
<p style="text-align: center;">Chapter IV. Directors <u>and</u> Board of Directors and Audit and Supervisory Committee</p>	<p style="text-align: center;">Chapter IV. Directors, Board of Directors and Audit and Supervisory Committee, <u>and Executive Officers</u></p>
Article 18. to Article 21. (Omitted)	Article 18. to Article 21. (Unchanged)
(Convening a Board of Directors Meeting)	(Convening a Board of Directors Meeting)
Article 22.	Article 22.
<ol style="list-style-type: none"> <li>1. The meeting of the Board of Directors shall be convened and chaired by the <u>President</u>. If the <u>President</u> is unable to act, such meeting shall be convened and chaired by another director in the order previously determined by the Board of Directors.</li> <li>2. The notice for convening a meeting of the Board of Directors shall be dispatched to each director no later than three (3) days prior to the date of the meeting, provided, however, that such period of notice may be shortened in case of urgent business.</li> <li>3. The meeting of the Board of Directors may be held without the convening procedures with the consent of all the directors.</li> </ol>	<ol style="list-style-type: none"> <li>1. The meeting of the Board of Directors shall be convened and chaired by the <u>Representative Director</u>. If the <u>Representative Director</u> is unable to act, such meeting shall be convened and chaired by another director in the order previously determined by the Board of Directors.</li> <li>2. The notice for convening a meeting of the Board of Directors shall be dispatched to each director no later than three (3) days prior to the date of the meeting, provided, however, that such period of notice may be shortened in case of urgent business.</li> <li>3. The meeting of the Board of Directors may be held without the convening procedures with the consent of all the directors.</li> </ol>
Article 23. to Article 31. (Omitted)	Article 23. to Article 31. (Unchanged)
	<u>(Executive Officers)</u>
(Newly established)	<u>Article 32.</u>
	<ol style="list-style-type: none"> <li>1. <u>The Board of Directors may establish Executive Officers by its resolution, to whom it can entrust the Company's business and the execution of such.</u></li> <li>2. <u>The Board of Directors may, by its resolution, establish a President and Executive Officer and other Executive Officers with titles from the Executive Officers.</u></li> <li>3. <u>Matters concerning the Executive Officers shall be governed by the Executive Officer Regulations established by the Board of Directors, in addition to these Articles of Incorporation.</u></li> </ol>
Article <u>32.</u> to Article <u>40.</u> (Omitted)	Article <u>33.</u> to Article <u>41.</u> (Article number incremented)
Supplementary Provisions (Omitted)	Supplementary Provisions (Unchanged)

**Proposal No. 3** Election of Four Directors (Excluding Audit and Supervisory Committee Members)

The terms of office of all four Directors (excluding Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of four Directors (excluding Audit and Supervisory Committee Members).

The candidates for Director (excluding Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name	Current position	Responsibility, etc.	Attribute
1	Toru Yanagawa	President and Representative Director	President & Representative Director of TOYO KANETSU SOLUTIONS K.K.	Reelection
2	Isao Shimomae	Director	Deputy President	Reelection
3	Masayuki Takeda	Director	General Manager of Plant & Machinery Division	Reelection
4	Keisuke Kodama	Director	General Manager of Corporate Management Division	Reelection

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
1	<p>Toru Yanagawa (February 26, 1953)</p> <p>Reelection</p> <p>Tenure as Director (at the conclusion of this meeting) 13 years</p> <p>Attendance to the Board of Directors meetings 12/12</p>	<p>Apr. 1975      Joined the Company</p> <p>Apr. 1998      General Manager of Machinery &amp; Plant Sales Department of Sales Division</p> <p>July 2000      Executive Officer and General Manager of Machinery &amp; Plant Sales Department of Sales Division</p> <p>July 2003      Senior Executive Officer and Deputy Division Manager of Plant &amp; Machinery Division</p> <p>June 2005      Director, Senior Executive Officer and Deputy Division Manager of Plant &amp; Machinery Division</p> <p>Apr. 2008      Director</p> <p>Apr. 2008      President &amp; Representative Director of TOYO KANETSU SOLUTIONS K.K. (current position)</p> <p>Apr. 2014      President and Representative Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) President &amp; Representative Director of TOYO KANETSU SOLUTIONS K.K.</p>	12,576 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has superior discernment and performance not only in his pursuits in the plant &amp; machinery business that he has mainly engaged in since joining the Company, but also in the material handling systems business. Moreover, given his excellent management skills, cultivated through his experience as President, etc. of both the Company and TOYO KANETSU SOLUTIONS K.K., a subsidiary operating our logistics systems business, the Company proposes his reelection as Director.</p>			
2	<p>Isao Shimomae (December 30, 1954)</p> <p>Reelection</p> <p>Tenure as Director (at the conclusion of this meeting) 8 years</p> <p>Attendance to the Board of Directors meetings 12/12</p>	<p>Apr. 1975      Joined the Company</p> <p>Apr. 2005      General Manager of Maintenance Department of Plant &amp; Machinery Division</p> <p>June 2007      Executive Officer and General Manager of Maintenance Department of Plant &amp; Machinery Division</p> <p>July 2009      Senior Executive Officer and Deputy Division Manager of Plant &amp; Machinery Division</p> <p>June 2010      Director, Senior Executive Officer and Deputy Division Manager of Plant &amp; Machinery Division</p> <p>Apr. 2014      Director and Deputy Division Manager of Plant &amp; Machinery Division</p> <p>Apr. 2016      Director and General Manager of Plant &amp; Machinery Division</p> <p>Apr. 2018      Director and Deputy President (current position)</p> <p>(Significant concurrent positions outside the Company) -</p>	6,130 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has superior discernment and performance in his pursuits in the plant &amp; machinery business that he has mainly engaged in since joining the Company and, given his excellent management skills, cultivated through his experience as General Manager of Maintenance Department, General Manager of business divisions, and Deputy President, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
3	<p data-bbox="347 611 523 674">Masayuki Takeda (March 1, 1960)</p> <p data-bbox="379 707 491 734">Reelection</p> <p data-bbox="300 768 571 864">Tenure as Director (at the conclusion of this meeting) 5 years</p> <p data-bbox="300 898 571 994">Attendance to the Board of Directors meetings 12/12</p>	<p data-bbox="611 264 715 291">Apr. 1982</p> <p data-bbox="611 300 715 327">July 2004</p> <p data-bbox="611 394 715 421">Apr. 2008</p> <p data-bbox="611 488 715 515">July 2009</p> <p data-bbox="611 582 715 609">Apr. 2013</p> <p data-bbox="611 676 715 703">June 2013</p> <p data-bbox="611 770 715 797">Apr. 2014</p> <p data-bbox="611 864 715 891">Oct. 2015</p> <p data-bbox="611 958 715 985">Apr. 2016</p> <p data-bbox="611 1052 715 1079">Apr. 2017</p> <p data-bbox="611 1146 715 1173">Apr. 2018</p> <p data-bbox="611 1240 715 1267">(Significant concurrent positions outside the Company)</p> <p data-bbox="611 1312 627 1339">-</p>	3,199 shares
<p data-bbox="276 1346 754 1373">Reasons for nomination as candidate for Director</p> <p data-bbox="276 1382 1430 1494">He has superior discernment and performance in his pursuits in the plant &amp; machinery business that he has mainly engaged in since joining the Company and, given his excellent management skills, cultivated through his experience as the General Manager of Overseas Construction Department, General Manager of Production Engineering Department and General Manager of business divisions, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
4	Keisuke Kodama (December 26, 1958)  Reelection  Tenure as Director (at the conclusion of this meeting) 3 years  Attendance to the Board of Directors meetings 12/12	Apr. 1982      Joined the Company July 2006      General Manager of Domestic Sales Department of Plant & Machinery Division Apr. 2009      General Manager of Corporate Management Department of Corporate Management Division Apr. 2010      Executive Officer and General Manager of Corporate Management Department of Corporate Management Division Apr. 2012      Seconded to TOYO KANETSU SOLUTIONS K.K., and Executive Officer Apr. 2013      Transferred to TOYO KANETSU SOLUTIONS K.K., and Senior Executive Officer Apr. 2015      Transferred to the Company, Senior Executive Officer and Deputy Division Manager of Corporate Management Division June 2015      Director and Deputy Division Manager of Corporate Management Division Apr. 2016      Director and General Manager of Corporate Management Division Apr. 2018      Director and General Manager of Corporate Management Division (current position) (Significant concurrent positions outside the Company) -	2,793 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has superior discernment and performance in not only his pursuits in the plant &amp; machinery business that he has mainly engaged in since joining the Company, but also in the Corporate Management Division and the material handling systems business. Moreover, given his excellent management skills, cultivated through his experience as General Manager of Domestic Sales Department of Plant &amp; Machinery Division, General Manager of Corporate Management Division, and as an officer in charge of sales, etc. in TOYO KANETSU SOLUTIONS K.K., a subsidiary operating our logistics systems business, the Company proposes his reelection as Director.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
  2. The opinion of the Audit and Supervisory Committee regarding nomination, remuneration etc., of Directors is as follows. As members of the "Nomination and Compensation Committee" (the majority of which are outside Directors), which was established voluntarily, all members of the Audit and Supervisory Committee made deliberations according to the criteria and procedures stipulated in the Company's "Corporate Governance Guidelines" and participated in processes to report to the meeting of the Board of Directors. Having reexamined the above, the Audit and Supervisory Committee has determined that the procedures for nominating candidates for Director who are not Audit and Supervisory Committee Members are appropriate and each candidate is eligible to be a Director of the Company. The Committee has also determined that the procedures for determining the remuneration, etc., of Directors who are not Audit and Supervisory Committee Members are appropriate and the details of the remuneration, etc. are reasonable.