

Securities Code: 8081

June 4, 2019

To our shareholders:

Nobuyuki Motohashi  
President and Representative Director  
**KANADEN CORPORATION**  
4-22-4 Shimbashi, Minato-ku, Tokyo, Japan

## **NOTICE OF THE 169TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 169th Ordinary General Meeting of Shareholders of KANADEN CORPORATION (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail, or via the Internet. After reviewing the attached Reference Documents for the General Meeting of Shareholders, please exercise your voting rights no later than the end of Company business hours (5:35 p.m.) on Tuesday, June 18, 2019 (Japan Standard Time).

**1. Date and Time:** Wednesday, June 19, 2019 at 10:00 a.m. (Japan Standard Time)

**2. Venue:** Dai-ichi Hotel Tokyo 4F “Primavera 2”  
1-2-6 Shimbashi, Minato-ku, Tokyo, Japan

**3. Purposes:**

**Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 169th Term (from April 1, 2018 to March 31, 2019), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 169th Term (from April 1, 2018 to March 31, 2019)

**Items to be resolved:**

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member
- Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### Proposal 1: Partial Amendments to the Articles of Incorporation

##### 1. Reasons for changes

The Company will consolidate dispersed head offices in order to strengthen cooperation between divisions and improve the work environment and productivity by moving from Minato-ku, Tokyo to Chuo-ku, Tokyo. Therefore, it is necessary to amend the head office location described in Article 3 in the Articles of Incorporation.

This amendment will take effect on the date of head office relocation, which will be decided in the Board of Directors by August 31, 2019. This clause will be added as the supplementary provision, and the supplementary provision will be deleted after the amendment takes effect.

##### 2. Details of changes

The following changes are proposed.

(Underlines indicate the changes.)

| Existing articles   | Proposed changes   |
|---|--|
| (Location of the Head Office)<br>Article 3.<br>The head office of the Company shall be located at <u>Minato-ku</u> , Tokyo, Japan.<br><br>(Newly established) | (Location of the Head Office)<br>Article 3.<br>The head office of the Company shall be located at <u>Chuo-ku</u> , Tokyo, Japan.<br><u>Supplementary Provision</u><br><u>The amendment in Article 3 (Location of the Head Office) will take effect on the date of head office relocation, which will be decided in the Board of Directors by August 31, 2019. This Supplementary Provision shall be deleted after the office move takes place.</u> |

**Proposal 2:** Election of Eight (8) Directors

At the conclusion of this General Meeting of Shareholders, the terms of office of all eight (8) current Directors will expire. Accordingly, the Company proposes the election of eight (8) Directors.

The candidates for Directors are as follows:

| No. | Name               | Position and responsibilities   |                                      |
|-----|--------------------|---|--------------------------------------|
| 1   | Nobuyuki Motohashi | President (Representative Director)   | Reelection                           |
| 2   | Kazunori Shimamoto | Managing Director<br>Executive Officer in charge of Corporate Planning Division and<br>Administration Head Office | Reelection                           |
| 3   | Takeshi Jin        | Director  | Reelection<br>Outside<br>Independent |
| 4   | Yoshiro Nagashima  | Director  | Reelection<br>Outside<br>Independent |
| 5   | Hisataka Mori      | Director<br>Executive Officer and Branch Manager, Kyushu Branch Office  | Reelection                           |
| 6   | Shinsuke Saito     | Director<br>Executive Officer and Senior General Manager, Transportation<br>Division                              | Reelection                           |
| 7   | Akio Iguchi        | Director<br>Executive Officer and Senior General Manager, Kansai District<br>Office                               | Reelection                           |
| 8   | Hironori Saigusa   | Executive Officer and Senior General Manager, Administration<br>Head Office                                       | New election                         |

Reelection: Candidate for reelection as Director

New election: Candidate for new election as Director

Outside: Candidate for election as Outside Director

Independent: Independent Director as defined by the securities exchange

| No. | Name<br>(Date of birth)   | Career summary, position and responsibilities   |   | Number of the<br>Company's shares<br>owned |
|-----|---|---|---|--|
| 1   | Reelection<br><br>Nobuyuki Motohashi<br>(December 31, 1957)<br><br>Tenure<br>4 years<br>Attendance to the Board of<br>Directors meetings<br>12/12   | Apr. 1980<br>June 2013<br><br>June 2015<br><br>June 2016  | Joined the Company.<br>Executive Officer and Senior General Manager,<br>Factory Automation Division, the Company<br>Director and Senior General Manager, Factory<br>Automation Division, the Company<br>President and Representative Director, the<br>Company<br>(current position)   | 31,849                                     |
|     | Reasons for nomination as candidate for Director<br>Nobuyuki Motohashi has been serving as President and Representative Director since 2016 and appropriately performing his duties such as making critical decisions concerning the business administration and supervising business operations. Also, he has led the Company with his distinguished leadership and knowledge to increase the corporate value. We recommend his reelection as a Director because he is essential to the Company's sustainable growth.      |   |   |  |
| 2   | Reelection<br><br>Kazunori Shimamoto<br>(July 30, 1956)<br><br>Tenure<br>10 years<br>Attendance to the Board of<br>Directors meetings<br>11/12  | Apr. 1979<br>June 2008<br><br>June 2009<br><br>June 2011<br><br>Apr. 2014<br>June 2015<br>June 2016<br>Apr. 2017<br>June 2017<br>Apr. 2018<br><br>Apr. 2019 | Joined the Company.<br>Executive Officer and General Manager,<br>Accounting and Finance Office, the Company<br>Director and General Manager, Accounting and<br>Finance Office, the Company<br>Director, General Manager of Accounting and<br>Finance Office, and General Manager of<br>General Affairs and Personnel Office, the<br>Company<br>Director and General Manager, Accounting and<br>Finance Office, the Company<br>Managing Director and General Manager,<br>Accounting and Finance Office, the Company<br>Managing Director in charge of audit and<br>compliance, the Company<br>Managing Director in charge of Management<br>Division, the Company<br>Managing Director in charge of Management<br>Division and General Manager, Compliance<br>Office, the Company<br>Managing Director in charge of Corporate<br>Planning Division and Administration Head<br>Office, the Company<br>Managing Director and Executive Officer in<br>charge of Corporate Planning Division and<br>Administration Head Office, the Company<br>(current position) | 27,756                                     |
|     | Reasons for nomination as candidate for Director<br>Kazunori Shimamoto has been involved in management of the Company since 2009 and appropriately performing his duties as a Director.<br>He has competently contributed to strengthening our business foundation by improving its internal controls, primarily in the accounting and finance areas. We recommend his reelection as a Director because we regard him as a person who possesses the experience and knowledge essential to the Company's sustainable growth. |   |   |  |

| No. | Name<br>(Date of birth)  | Career summary, position and responsibilities  |  | Number of the<br>Company's shares<br>owned |
|-----|--|--|--|--|
| 3   | Reelection<br>Outside<br>Independent<br><br>Takeshi Jin<br>(March 21, 1938)<br><br>Tenure<br>4 years<br>Attendance to the Board of<br>Directors meetings<br>12/12  | Apr. 1964<br>Apr. 1964<br>June 2003<br>July 2006<br>June 2015<br>Apr. 2016<br><br>Significant concurrent positions outside the Company<br>Outside Director, Tri Chemical Laboratories Inc. | Registered as an attorney with Daini Tokyo Bar Association.<br>Joined Shunzo Kobayashi & Tadao Imai Law Office (currently Chugai Godo Law Office).<br>Outside Corporate Auditor, NIHON SHOKUHN KAKO CO., LTD.<br>General Counsel, the Company (current position)<br>Outside Director, the Company (current position)<br>Outside Director, Tri Chemical Laboratories Inc. (current position)  | 1,593                                      |
|     | Reasons for nomination as candidate for Outside Director<br>We recommend the reelection of Takeshi Jin as an Outside Director because of his experience as an outside director and outside auditor at listed companies and his knowledge of corporate legal affairs as an attorney.<br>He is currently an Outside Director of the Company, a position that he will have held for four years as of the conclusion of this Ordinary General Meeting of Shareholders.<br>He has entered into a contract as consulting attorney with the Company. However, the amount of compensation is insignificant, and this arrangement does not compromise his independence. |  |  |  |
| 4   | Reelection<br>Outside<br>Independent<br><br>Yoshiro Nagashima<br>(April 7, 1952)<br><br>Tenure<br>3 years<br>Attendance to the Board of<br>Directors meetings<br>12/12   | Apr. 1975<br>May 2002<br>June 2004<br>Oct. 2005<br>June 2009<br>June 2016<br>June 2018<br><br>Outside Director, ZENKOKU HOSHO Co., Ltd. (current position)                                 | Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)<br>Regional Director, Toranomon Branch Office, MUFG Bank, Ltd.<br>Representative Director and President, Tokyo Diamond Collection Service Co., Ltd. (currently MU Frontier Servicer Co., Ltd.)<br>Representative Director and Deputy President, MU Frontier Servicer Co., Ltd.<br>Standing Auditor, NIPPON CARBIDE INDUSTRIES CO., INC.<br>Outside Director, the Company (current position) | 361  |
|     | Reasons for nomination as candidate for Outside Director<br>We recommend the reelection of Yoshiro Nagashima as an Outside Director because of his experience as a corporate auditor and outside director at listed companies in addition to the experience as a corporate manager.<br>He is currently an Outside Director of the Company, a position that he will have held for three years as of the conclusion of this Ordinary General Meeting of Shareholders.  |  |  |  |

| No. | Name<br>(Date of birth)  | Career summary, position and responsibilities   |   | Number of the<br>Company’s shares<br>owned |
|-----|--|---|---|--|
| 5   | Reelection<br><br>Hisataka Mori<br>(June 15, 1960)<br><br>Tenure<br>3 years<br>Attendance to the Board of<br>Directors meetings<br>12/12   | Apr. 1983<br>Apr. 2014<br>Apr. 2016<br>June 2016<br>Apr. 2018<br>June 2018<br>Apr. 2019 | Joined the Company.<br>Executive Officer and Branch Manager, Chubu<br>Branch Office, the Company<br>Executive Officer and Deputy Senior General<br>Manager, Kansai District Office, the Company<br>Director and General Manager, Management<br>Strategy Office, the Company<br>Director and General Manager, Business<br>Promotion Office, the Company<br>Director, Executive Officer, and General<br>Manager, Business Promotion Office, the<br>Company<br>Director, Executive Officer, and Branch<br>Manager, Kyushu Branch Office, the Company<br>(current position) | 11,830                                     |
|     | Reasons for nomination as candidate for Director<br>Hisataka Mori has extensive experience in the Company’s businesses and heads our corporate planning functions as a<br>Director. We recommend his reelection as a Director because we believe he possesses balanced judgment and that he<br>will be a key player in sustaining the growth of our business in the future.                      |   |   |  |
| 6   | Reelection<br><br>Shinsuke Saito<br>(May 24, 1958)<br><br>Tenure<br>2 years<br>Attendance to the Board of<br>Directors meetings<br>12/12   | Apr. 1981<br>Apr. 2008<br>Apr. 2009<br>Apr. 2014<br>Apr. 2017<br>June 2017<br>Apr. 2019 | Joined Mitsubishi Electric Corporation.<br>Deputy General Manager, Chubu Branch<br>Office, Mitsubishi Electric Corporation<br>General Manager, Shikoku Branch Office,<br>Mitsubishi Electric Corporation<br>General Manager, Kyushu Branch Office,<br>Mitsubishi Electric Corporation<br>Joined the Company.<br>Director in charge of Transportation Division,<br>the Company<br>Director, Executive Officer, and Senior General<br>Manager, Transportation Division, the<br>Company<br>(current position)  | 10,545                                     |
|     | Reasons for nomination as candidate for Director<br>Shinsuke Saito possesses extensive sales experience and track record in the electronics field, having served in such<br>posts as General Manager of branch offices at Mitsubishi Electric Corporation. We recommend his reelection as a<br>Director because his knowledge and skills are essential to the sustainable growth of the Company. |   |   |  |

| No.  | Name<br>(Date of birth)   | Career summary, position and responsibilities |  | Number of the<br>Company's shares<br>owned |
|--|---|---|--|--|
| 7  | <p>Reelection</p> <p>Akio Iguchi<br/>(November 4, 1957)</p> <p>Tenure<br/>1 year</p> <p>Attendance to the Board of<br/>Directors meetings<br/>9/9</p> | Apr. 1981                                     | Joined Mitsubishi Electric Corporation.  | 8,174                                      |
|  |   | Apr. 2003                                     | General Manager, Machinery Division, Kyushu Branch, Mitsubishi Electric Corporation  |  |
|  |   | Oct. 2003                                     | General Manager, Factory Automation Systems Division, Kyushu Branch, Mitsubishi Electric Corporation                                 |  |
|  |   | Apr. 2007                                     | General Manager, Machinery Sales No.2 Division, Head Office, Mitsubishi Electric Corporation   |  |
|  |   | Apr. 2009                                     | General Manager, Kanetsu Branch, Mitsubishi Electric Corporation   |  |
|  |   | Apr. 2013                                     | General Manager, Chugoku Branch, Mitsubishi Electric Corporation   |  |
|  |   | Apr. 2016                                     | General Manager, Chubu Branch, Mitsubishi Electric Corporation   |  |
|  |   | Apr. 2018                                     | Joined the Company.  |  |
|  |   | June 2018                                     | Director, Executive Officer, and Senior General Manager, Kansai District Office, the Company (current position)                      |  |
| <p>Reasons for nomination as candidate for Director</p> <p>Akio Iguchi possesses extensive sales experience and track record in the electronics field, having served in such posts as General Manager of branch offices at Mitsubishi Electric Corporation. We recommend his reelection as a Director because his knowledge and skills are essential to the sustainable growth of the Company.</p> |   |   |  |  |
| 8  | <p>New election</p> <p>Hironori Saigusa<br/>(August 14, 1961)</p>   | Apr. 1985                                     | Joined the Company.  | 4,601                                      |
|  |   | Apr. 2005                                     | General Manager, Device Sales Department, Semiconductor & Device Division, the Company   |  |
|  |   | Apr. 2007                                     | General Manager, Sales Department 2, Semiconductor & Device Division 2, the Company  |  |
|  |   | Apr. 2009                                     | General Manager, Sales Department 2, Semiconductor & Device Division, the Company  |  |
|  |   | Apr. 2013                                     | General Manager, Legal Affairs Division, and General Manager, Export Administration Division, the Company                            |  |
|  |   | Apr. 2015                                     | Branch Manager, Kita-Kanto Branch Office, Factory Automation Division, the Company   |  |
|  |   | Apr. 2016                                     | Executive Officer, General Manager, General Affairs and Personnel Office, and General Manager, General Affairs Division, the Company |  |
|  |   | July 2017                                     | Executive Officer and General Manager, General Affairs and Personnel Office, the Company   |  |
|  |   | Apr. 2018                                     | Executive Officer and Senior General Manager, Administration Head Office, the Company (current position)                             |  |
| <p>Reasons for nomination as candidate for Director</p> <p>Hironori Saigusa has extensive experience in the Company's businesses and has served as manager of administrative divisions. We recommend his election as a Director because we believe he possesses balanced judgment and that he is essential to the Company's sustainable growth.</p>  |   |   |  |  |

Notes: 1. There is no special interest between each candidate and the Company.

2. The number of the Company's shares owned by each candidate includes those owned through the executive stock ownership program and employee stock ownership program. (Fractional amounts of less than one share have been omitted.)

3. Takeshi Jin and Yoshiro Nagashima are candidates for Outside Directors.
4. Takeshi Jin and Yoshiro Nagashima, candidates for Outside Director, satisfy the criteria for being an Independent Director as determined by the Tokyo Stock Exchange, Inc. The Company has therefore submitted an Independent Director Notification with the TSE to register them as an Independent Director.



**Proposal 3:** Election of One (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member Kei Doi will retire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes the election of one (1) Audit & Supervisory Board Member as his substitute.

In addition, as provided for in the Company's Articles of Incorporation, the term of office of the Audit & Supervisory Board Member newly elected as substitute will be until the expiration date of the retiring Audit & Supervisory Board Member's term of office.

The Audit & Supervisory Board has already given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

| Name<br>(Date of birth)   | Career summary and position   | Number of the<br>Company's shares<br>owned |
|---|---|--|
| New election<br>Outside<br><br>Kozo Yamamura<br>(June 1, 1967)  | Apr. 1992      Joined Mitsubishi Electric Corporation.<br>Apr. 2016      Manager, Planning Division, Marketing Research &<br>Business Development Department, Kanetsu Branch Office,<br>Mitsubishi Electric Corporation<br>Apr. 2019      Manager, Agent Group, Market Planning & Administration<br>Department, Corporate Marketing Group, Mitsubishi<br>Electric Corporation<br>(current position) | -  |
| Reasons for nomination as candidate for Outside Audit & Supervisory Board Member<br>We recommend the election of Kozo Yamamura as an Outside Audit & Supervisory Board Member because, even though he has not been involved in corporate management, he has ample knowledge of supervising group companies through his experience as Manager of Agent Group in Market Planning & Administration Department, Corporate Marketing Group, Mitsubishi Electric Corporation.<br>It should be noted that the Company has business transactions with Mitsubishi Electric Corporation, and Mitsubishi Electric owns 25.29% of the Company's shares, excluding treasury stock. |   |  |

- Notes:
1. There is no special interest between the candidate and the Company.
  2. Kozo Yamamura is a candidate for Outside Audit & Supervisory Board Member.
  3. Kozo Yamamura, candidate for Outside Audit & Supervisory Board Member, has received compensation as an employee of Mitsubishi Electric Corporation, a Specific Related Business, for the past two years, and he plans on doing the same in the future.

**Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members

The Company would like to recommend the election of two (2) candidates for the position of Substitute Audit & Supervisory Board Member, in order to avoid a situation in which it may not have the legally required number of Audit & Supervisory Board Members.

The candidates for the position of Substitute Audit & Supervisory Board Member are listed below. Junya Torigoe is the candidate for substitute for the candidate for Outside Audit & Supervisory Board Member Kozo Yamamura, and Akira Takeuchi is the candidate for substitute for Outside Audit & Supervisory Board Member Yutaka Nomiya.

The Audit & Supervisory Board has already given its consent to this proposal.

| No.  | Name<br>(Date of birth)              | Career summary and position   | Number of the<br>Company's shares<br>owned |
|--|--------------------------------------|---|--|
| 1  | Junya Torigoe<br>(February 28, 1970) | <p>Apr. 1992      Joined Mitsubishi Electric Corporation.</p> <p>Oct. 2010      Manager, Personnel Training Section,<br/>Corporate Administration Division, Kyushu<br/>Branch Office, Mitsubishi Electric Corporation</p> <p>July 2012      Manager, Compliance Group, Market Planning<br/>&amp; Administration Department, Corporate<br/>Marketing Group, Mitsubishi Electric<br/>Corporation</p> <p>Oct. 2012      Manager, Compliance Group, Compliance<br/>Department, Corporate Marketing Group,<br/>Mitsubishi Electric Corporation<br/>(current position)</p>  | -  |
| <p>Reasons for nomination as candidate for Substitute Outside Audit &amp; Supervisory Board Member</p> <p>We recommend the election of Junya Torigoe as a Substitute Outside Audit &amp; Supervisory Board Member because, even though he has not been involved in corporate management, he has considerable knowledge and experience of corporate auditing through the supervision of group companies in his capacity as Manager of Compliance Department of Mitsubishi Electric Corporation's Corporate Marketing Group.</p> <p>It should be noted that the Company has business transactions with Mitsubishi Electric Corporation, and Mitsubishi Electric owns 25.29% of the Company's shares, excluding treasury stock.</p> |                                      |   |  |
| 2  | Akira Takeuchi<br>(April 19, 1961)   | <p>Apr. 1984      Joined The Mitsubishi Bank, Ltd. (currently<br/>MUFG Bank, Ltd.)</p> <p>Sept. 2011      Branch Manager, Shinjuku Chuo Branch, The<br/>Mitsubishi Bank, Ltd.</p> <p>Sept. 2013      Joined TERAOKA SEISAKUSHO CO., LTD.</p> <p>Apr. 2014      General Manager, Accounting Division,<br/>TERAOKA SEISAKUSHO CO., LTD.</p> <p>Apr. 2017      General Manager, Management Planning<br/>Office, TERAOKA SEISAKUSHO CO., LTD.</p> <p>Apr. 2019      General Manager, Management Planning<br/>Office, and General Manager, Audit Office,<br/>TERAOKA SEISAKUSHO CO., LTD.<br/>(current position)</p> | -  |
| <p>Reasons for nomination as candidate for Substitute Outside Audit &amp; Supervisory Board Member</p> <p>We recommend the election of Akira Takeuchi as a Substitute Outside Audit &amp; Supervisory Board Member in view of his broad knowledge of finance and accounting gained from key positions at administrative section of TERAOKA SEISAKUSHO CO., LTD., as well as his long years of experience at financial institutions, even though he has not been involved in corporate management.</p>  |                                      |   |  |

- Notes:
1. There is no special interest between each candidate and the Company.
  2. Junya Torigoe and Akira Takeuchi are candidates for Substitute Outside Audit & Supervisory Board Members.
  3. Junya Torigoe, candidate for Substitute Outside Audit & Supervisory Board Member, has received compensation as an employee of Mitsubishi Electric Corporation, a Specific Related Business, for the past two years, and he plans on doing the same in the future.