

Securities Code: 8141

June 5, 2019

To our shareholders:

Akio Kitai  
Chairman and Representative Director  
**Shinko Shoji Co., Ltd.**  
1-2-2 Osaki, Shinagawa-ku, Tokyo

## NOTICE OF THE 66TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 66th Ordinary General Meeting of Shareholders of Shinko Shoji Co., Ltd. (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 electromagnetic means (via the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights according to “4. Exercise of your voting rights” (Japanese only) no later than 5:20 p.m., Tuesday, June 25, 2019 (JST).

**1. Date and Time:** Wednesday, June 26, 2019 at 10:00 a.m. (Opening at 9:00 a.m.) (JST)

**2. Venue:** HOTEL GAJOEN TOKYO, Sirius on the 3rd floor  
1-8-1 Shimomeguro, Meguro-ku, Tokyo

### **3. Purposes:**

#### **Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 66th 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 Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 66th Term (from April 1, 2018 to March 31, 2019)

#### **Item to be resolved:**

#### **<Company Proposals (Proposals 1 ~ 3)>**

- Proposal 1:** Election of eleven (11) Directors (including two (2) Outside Directors)  
**Proposal 2:** Election of one (1) Corporate Auditor  
**Proposal 3:** Partial amendments to the Articles of Incorporation

#### **<Shareholder Proposal (Proposal 4)>**

- Proposal 4:** Election of one (1) Corporate Auditor

A summary of the shareholder proposal (Proposal 4) can be found in the attached Reference Documents for the General Meeting of Shareholders on page 9.

### **4. Exercise of your voting rights**

#### **(1) Vote by postal mail**

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it by postal mail to reach us no later than 5:20 p.m., Tuesday, June 25, 2019 (JST).

#### **(2) Vote via the Internet**

Please access the indicated website for exercising voting rights from a personal computer, a smartphone or a mobile phone, and register your approval or disapproval of the proposals no later than 5:20 p.m., Tuesday, June 25, 2019 (JST).

For details on how to cast votes, please refer to “Procedures for Exercising Voting Rights via the Internet.” (Japanese only)

The Company uses the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Company Proposal

#### Proposal 1: Election of eleven (11) Directors (including two (2) Outside Directors)

The term will expire for all nine (9) Directors at the conclusion of this General Meeting, and thus, in order to further strengthen the management structure of the Company, the Company proposes an addition of two (2) Directors to elect a total of eleven (11) Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company's shares owned
1	Akio Kitai (April 3, 1948) Reappointment [Attendance at Board of Directors' meetings] 17/17	Sept. 1981	Joined the Company	651,000
		Jan. 1986	Director of the Company	
		Jan. 1992	Managing Director of the Company	
		June 1993	President and Representative Director of the Company	
		Apr. 2013	Chairman and Representative Director of the Company (present position)	
	[Reasons for nomination as candidate for Director] With experience working at a general trading company and working overseas, from having had a wide range of responsibilities within the Company, and with 20 years' experience as President and Representative Director, Akio Kitai is knowledgeable in the industry and in management and has suitable experience and ability to be a candidate for Director of the Company.			
2	Tatsuya Ogawa (December 17, 1963) Reappointment [Attendance at Board of Directors' meetings] 17/17	Apr. 1986	Joined the Company	6,900
		June 2008	Director of the Company	
		Apr. 2013	President and Representative Director of the Company	
		Apr. 2015	President and Representative Director of the Company (responsible for Audit Office, Overseas Sales Promotion Department, and Overseas Affiliated Companies) (present position)	
	[Reasons for nomination as candidate for Director] With lengthy overseas business experience putting to use semiconductor design technologies, especially including his time residing in Hong Kong for 15 years, Tatsuya Ogawa produced a track record of rapidly developing overseas businesses. He is knowledgeable in the electronic components industry, is a capable manager with a high degree of insight, and has suitable experience and ability to be a candidate for Director of the Company.			
3	Junichi Inaba (September 2, 1959) Reappointment [Attendance at Board of Directors' meetings] 17/17	Jan. 2011	Joined the Company	6,200
		June 2011	Director of the Company	
		Apr. 2015	Managing Director of the Company	
		Apr. 2019	Managing Director of the Company (Overall Control of Sales Division and Marketing & Engineering Department, responsible for Sales Support Office, Sales Department 1, Sales Department 2, Sales Department 3, Koshinetsu Block Department, New Business Sales Department) (present position)	
	[Reasons for nomination as candidate for Director] Junichi Inaba has been engaged for many years in the semiconductor industry at NEC and Renesas Electronics. He also has knowledge of management from his experience as a business operator and as the operator of a company overseas and has suitable experience and ability to be a candidate for Director of the Company.			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company's shares owned
4	Teru Masaki (January 15, 1956) Reappointment [Attendance at Board of Directors' meetings] 17/17	Apr. 2005	Joined the Company	17,600
		June 2006 Apr. 2019	Director of the Company Director of the Company (Overall Control of Administrative Division, responsible for Personnel Affairs & Information System Department, Accounting Department, Logistics Department, and Domestic Affiliated Companies) (present position)	
[Reasons for nomination as candidate for Director] Teru Masaki's track record includes 25 years working at financial institutions and experience working as a branch office manager, and since joining the Company he has also overseen administrative sections involved in accounting and finance, personnel affairs, general affairs, etc. He has a high level of knowledge in accounting, risk management, and corporate management, and has suitable experience and ability to be a candidate for Director of the Company.				
5	Fumitaka Yuge (August 1, 1960) Reappointment [Attendance at Board of Directors' meetings] 17/17	Apr. 1984	Joined the Company	2,600
		Apr. 2008 June 2013 Apr. 2015	President of NT Sales Co., LTD. (secondment) Director of the Company Director of the Company (responsible for West Japan Block and Electronic Component Sales Promotion Department) (present position)	
[Reasons for nomination as candidate for Director] During his many years of experience as the operator of a company overseas, Fumitaka Yuge has learned a more global style of business. With five years company management experience when on secondment as President to the affiliated company, he has suitable experience and ability to be a candidate for Director of the Company.				
6	Katsuhiro Hosono (August 23, 1966) Reappointment [Attendance at Board of Directors' meetings] 17/17	Apr. 1989 Apr. 2007	Joined the Company General Manager of Nagoya Office, Chubu Tokai Block	2,000
		June 2014 Apr. 2018	Director of the Company Director of the Company (responsible for Amusement Systems Sales Department, EMS Sales Promotion Department, and Commissioned Design Development Department) (present position)	
[Reasons for nomination as candidate for Director] During his involvement in the amusement industry, which is the Company's core business, Katsuhiro Hosono has demonstrated results in promoting large business developments, and using the knowledge and personal connections he developed during that work he has produced further results developing original design and manufacturing (ODM). He has suitable experience and ability to be a candidate for Director of the Company.				
7	Kiyotaka Miyazawa (August 5, 1956) Reappointment [Attendance at Board of Directors' meetings] 17/17	Apr. 1981	Joined the Company	3,300
		Apr. 2005 Apr. 2012 June 2015 Apr. 2016	Manager of Planning Office of the Company President of NOVALUX JAPAN CO., LTD. (secondment) Director of the Company Director of the Company (responsible for East Japan Block, Chubu Tokai Block, and AI System Sales Department) (present position)	
[Reasons for nomination as candidate for Director] Kiyotaka Miyazawa has extensive experience in sales, corporate planning, general affairs, personnel affairs, and legal affairs, and has experience being seconded to two of affiliated companies in the position of Director and President. He has suitable experience and ability to be a candidate for Director of the Company.				

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company’s shares owned
8	Toshio Oura (December 20, 1948) Reappointment Outside Independent [Attendance at Board of Directors’ meetings] 17/17	Apr. 1971	Joined MITSUI-SOKO Co., Ltd.	
		June 2003	Director of MITSUI-SOKO Co., Ltd.	
		Apr. 2006	Managing Director of MITSUI-SOKO Co., Ltd.	
		June 2008	Director of MITSUI-SOKO Co., Ltd. and President of MITSUI WAREHOUSE TERMINAL SERVICE CO., LTD.	
		July 2011	Adviser of MITSUI-SOKO Co., Ltd.	
		July 2013	Retired Adviser of MITSUI-SOKO Co., Ltd.	
		June 2015	Director of the Company (present position)	
		[Reasons for nomination as candidate for Outside Director] Toshio Oura has extensive experience in company management both as an Officer and President, has a wide range of insights, and is a person we can recommend to contribute to expanding shareholder interests and maximizing enterprise value. He has suitable experience and ability to be a candidate for Outside Director of the Company.		
9	Tatsuyoshi Yoshiike (May 9, 1952) Reappointment Outside Independent [Attendance at Board of Directors’ meetings] 16/17	Apr. 1975	Joined HIOKI E.E. CORPORATION	
		Mar. 1995	Director, Director of Sales & Marketing of HIOKI E.E. CORPORATION	
		Mar. 1997	Director and Managing Executive Officer, Director of Sales & Marketing of HIOKI E.E. CORPORATION	
		Mar. 2003	Director and Managing Executive Officer, Director of Administration of HIOKI E.E. CORPORATION	
		Mar. 2005	President & CEO of HIOKI E.E. CORPORATION	
		Feb. 2013	Chairman and Director of HIOKI E.E. CORPORATION	
		Feb. 2015	Retired from Director of HIOKI E.E. CORPORATION	
		June 2015	Assumed office as Outside Director of CHINO CORPORATION (present position)	
		June 2016	Director of the Company (present position)	
		[Significant concurrent positions outside the Company] Outside Director of CHINO CORPORATION		
		[Reasons for nomination as candidate for Outside Director] Tatsuyoshi Yoshiike has experience and track record as President of the listed company, and is knowledgeable in the electronics industry. He is a person who is able to contribute to expanding shareholder interests and provide advice based on his ample knowledge and experience. He has suitable experience and ability to be a candidate for Outside Director of the Company.		

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
10	Shuji Isshiki (March 28, 1964) New appointment	<p>Apr. 1986      Joined The Bank of Yokohama, Ltd.</p> <p>Oct. 2009      Deputy Manager of Financial Market Department of The Bank of Yokohama, Ltd.</p> <p>May 2012      Deputy Manager, in charge of ALM, Corporate Planning Department of The Bank of Yokohama, Ltd.</p> <p>Apr. 2017      Senior Manager of Corporate Planning Department of Concordia Financial Group, Ltd. (secondment)</p> <p>Oct. 2018      Seconded to the Company</p> <p>Jan. 2019      Joined the Company</p> <p>Apr. 2019      Administrative Officer of the Company (responsible for the General Affairs Department, Manager of Planning Office) (present position)</p>	-
<p>[Reasons for nomination as candidate for Director]</p> <p>With over 30 years of experience working at financial institutions, Shuji Isshiki possesses outstanding knowledge coupled with excellent power of inquiry and insight garnered through his involvement in the operations of the entire organization and in procurement planning as the person in charge of the planning department and has suitable experience and ability to be a candidate for Director of the Company.</p>			
11	Katsuei Kobayashi (September 19, 1966) New appointment	<p>Apr. 1990      Joined NEC Corporation</p> <p>July 2000      NEC Electronics Inc. (secondment)</p> <p>Apr. 2011      Senior Manager of Automotive Electronics Control Systems Marketing Department, Automotive Systems Division, Renesas Electronics Corporation</p> <p>June 2013      Joined the Company</p> <p>Apr. 2019      Administrative Officer of the Company (responsible for Devices &amp; Solutions Engineering Department, General Manager of Automotive Solutions Engineering Department) (present position)</p>	-
<p>[Reasons for nomination as candidate for Director]</p> <p>Katsuei Kobayashi has been engaged for many years in semiconductor design and development and solution development at NEC and Renesas Electronics. He also has knowledge of sales and development management from his experience of being stationed in the U.S. and has suitable experience and ability to be a candidate for Director of the Company overseeing Marketing &amp; Engineering Department.</p>			

- Notes:
1. Shuji Isshiki and Katsuei Kobayashi are new candidates for Directors.
  2. There is no special interest between the candidates and the Company.
  3. Toshio Oura and Tatsuyoshi Yoshiike are candidates for Outside Directors.
  4. The Company has registered Toshio Oura and Tatsuyoshi Yoshiike to the Tokyo Stock Exchange as independent officers as prescribed by the Tokyo Stock Exchange.
  5. The term of office for Toshio Oura as the Company's Outside Director will have been four years at the conclusion of this General Meeting.
  6. The term of office for Tatsuyoshi Yoshiike as the Company's Outside Director will have been three years at the conclusion of this General Meeting.
  7. Neither Toshio Oura nor Tatsuyoshi Yoshiike has acted as an operating executive officer or a non-operating executive officer of the Company or its subsidiaries in the past.
  8. Neither Toshio Oura nor Tatsuyoshi Yoshiike is an operating executive officer or a non-operating executive officer of any special related business of the Company, nor have they been an operating executive officer or a non-operating executive officer of the same in the last five years.
  9. With the exception of compensation, etc. provided for services rendered as officers, neither Toshio Oura nor Tatsuyoshi Yoshiike is expected to receive any large payment in money or other assets from the Company or any special related business of the Company, nor have they received such payment in the last two years.
  10. Neither Toshio Oura nor Tatsuyoshi Yoshiike is a spouse or family member within three degrees, or equivalent person, of an operating executive officer or a non-operating executive officer of the Company, or a special related business of the Company.

11. Neither Toshio Oura nor Tatsuyoshi Yoshiike has been an operating executive officer or non-operating executive officer of a corporation limited by shares with which the Company has merged, was the subject of an absorption-type split or a demerger or a company from which the Company acquired rights and obligations as a result of the transfer of a business in the last two years, immediately prior to such a merger, etc.

## Company Proposal

### Proposal 2: Election of one (1) Corporate Auditor

The term will expire for Corporate Auditor Ginjiro Yanai at the conclusion of this General Meeting, and thus the Company proposes that one (1) Corporate Auditor be elected. Further, the Board of Corporate Auditors has given its consent to this Proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Toshihiko Ishihara (November 30, 1952) New appointment Outside	Apr. 1976      Joined Fuji Electric Co., Ltd. Apr. 2011      Executive Officer and General Manager of Human Resources Office of Fuji Electric Co., Ltd. June 2013      Standing Auditor of Fuji Electric Co., Ltd. June 2017      Adviser of Fuji Electric Co., Ltd. June 2018      Retired Adviser of Fuji Electric Co., Ltd.	-
[Reasons for nomination as candidate for Outside Corporate Auditor] Toshihiko Ishihara possesses extensive experience and expertise garnered through his long-term experience working in management with a specific focus on human resources and general affairs department at a listed company, in addition to his experience as executive officer and standing auditor at the company, and he is capable of providing guidance and auditing the operations of the Company. He has suitable experience and ability to be a candidate for Outside Corporate Auditor of the Company.		

- (Notes)
1. Toshihiko Ishihara is a new candidate for Corporate Auditor.
  2. There is no special interest between the candidate and the Company.
  3. Toshihiko Ishihara is a candidate for Outside Corporate Auditor.
  4. Toshihiko Ishihara has neither acted as an operating executive officer or a non-operating executive officer of the Company nor its subsidiaries in the past.
  5. Toshihiko Ishihara has neither been an operating executive officer or a non-operating executive officer of any special related business of the Company, nor has he been an operating executive officer or a non-operating executive officer of the same in the last five years.
  6. With the exception of compensation, etc. provided for services rendered as officers, Toshihiko Ishihara has neither expected to receive any large payment in money or other assets from the Company or any special related business of the Company, nor has he received such payment in the last two years.
  7. Toshihiko Ishihara is not a spouse or family member within three degrees, or equivalent person, of an operating executive officer or a non-operating executive officer of the Company, or a special related business of the Company.
  8. Toshihiko Ishihara has neither been an operating executive officer nor non-operating executive officer of a corporation limited by shares with which the Company has merged, was the subject of an absorption-type split or a demerger or a company from which the Company acquired rights and obligations as a result of the transfer of a business in the last two years, immediately prior to such a merger, etc.

## Company Proposal

### Proposal 3: Partial amendments to the Articles of Incorporation

#### 1. Reasons for the amendments

With regard to changes in the potential scope of application of contracts for the limitation of liability introduced in the Act on Partial Revision of the Companies Act (Act No. 90 of 2014) enforced on May 1, 2015, which allowed for contracts for the limitation of liability to be entered into with Directors not engaged in the execution of business and Corporate Auditors other than Outside Corporate Auditors. As a result, the Company has partially amended Articles 30 and 40 of the current Articles of Incorporation to aid said Directors and Corporate Auditors in sufficiently performing the role expected of them. Further, amendments to Article 30, Paragraph 2 of the Articles of Incorporation have been consented to by each Corporate Auditor.

#### 2. Content of amendments

The content of the amendments made are as follows:

(Amended contents are underlined.)

Current Articles of Incorporation	Proposed amendment
<p>(Exemption from Liability for Directors) Article 30</p> <ol style="list-style-type: none"> <li>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt any Director (including persons previously appointed as Directors) from liabilities occurring due to the neglect of one's duties to the extent provided for in laws and regulations.</li> <li>Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract for the limitation of liability for damages caused due to the neglect of one's duties with <u>Outside Directors</u>. Provided that, the limit of liabilities under said contract shall be the amount stipulated in laws and regulations.</li> </ol> <p>(Exemption from Liability for Corporate Auditors) Article 40</p> <ol style="list-style-type: none"> <li>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt any Corporate Auditor (including persons previously appointed as Corporate Auditors) from liabilities occurring due to the neglect of one's duties to the extent provided for in laws and regulations.</li> <li>Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract for the limitation of liability for damages caused due to the neglect of one's duties with <u>Outside Corporate Auditors</u>. Provided that, the limit of liabilities under said contract shall be the amount stipulated in laws and regulations.</li> </ol>	<p>(Exemption from Liability for Directors) Article 30</p> <ol style="list-style-type: none"> <li>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt any Director (including persons previously appointed as Directors) from liabilities occurring due to the neglect of one's duties to the extent provided for in laws and regulations.</li> <li>Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract for the limitation of liability for damages caused due to the neglect of one's duties with <u>Directors (excluding Operating Directors, etc.)</u>. Provided that, the limit of liabilities under said contract shall be the amount stipulated in laws and regulations.</li> </ol> <p>(Exemption from Liability for Corporate Auditors) Article 40</p> <ol style="list-style-type: none"> <li>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt any Corporate Auditor (including persons previously appointed as Corporate Auditors) from liabilities occurring due to the neglect of one's duties to the extent provided for in laws and regulations.</li> <li>Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract for the limitation of liability for damages caused due to the neglect of one's duties with <u>Corporate Auditors</u>. Provided that, the limit of liabilities under said contract shall be the amount stipulated in laws and regulations.</li> </ol>



### Shareholder Proposal

Proposal 4 is a proposal made by one (1) shareholder.

Further, the shareholder making the proposal hold 353 voting rights.

### **Shareholder Proposal**

**Proposal 4:** Election of one (1) Corporate Auditor

Make Kazuo Hashimoto a Corporate Auditor.

### Reason

The Company freely takes part in golden parachuting and illegal activities. It will destroy the Company if it continues.

Note from the Company: The above description of proposal and reason for proposal are stated according to the original proposal submitted from the shareholder. Further, career summary, etc. of the proposed candidate was not provided by the shareholder making the proposal and, as such, is not listed herein.

### <The Board of Directors' Opinion Regarding Proposal 4>

The Board of Directors opposes to this proposal.

There is no executive nor employee in the Company that has been installed as a result of recommendations from high quarters, and the opinion that "The Company freely takes part in golden parachuting and illegal activities" has no basis in reality.

With regard to the election of Corporate Auditors, the Company elects persons deemed capable of adequately performing their duties as Corporate Auditor based on their extensive experience and expertise, their understanding of the Company's business activities and field of business, and for their ability to express objective opinions from a neutral standpoint, in order to achieve sustainable growth and improve corporate value over the mid to long-term for the Company and its shareholders.

Further, the Board of Corporate Auditors of the Company consists of two Outside Corporate Auditors who retain their independence out of a total of three Corporate Auditors, and the Company has deemed this to be the optimal structure for the Board of Corporate Auditors based on Company Proposal 2 "Election of one (1) Corporate Auditor" and, as such, the Company finds no reason to elect Mr. Kazuo Hashimoto as Corporate Auditor.

Further, the Board of Corporate Auditors is of the same opinion as the Board of Directors, and opposes this proposal.