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(Securities Code: 1942)

June 7, 2019

To our shareholders:

Kiyoshi Goto, Chairman and Director  
**Kandenko Co., Ltd.**  
4-8-33 Shibaura, Minato-ku, Tokyo

## **Notice of the 105th Annual General Meeting of Shareholders**

You are cordially invited to attend the 105th Annual General Meeting of Shareholders of Kandenko Co., Ltd. (the “Company”) to be held as described below.

If you are unable to attend the meeting in person, please refer to the “Guide to Exercise Voting Rights” (Japanese only) on page 3 and page 4 and exercise your voting rights in writing or via the Internet, after examining the Reference Documents for the General Meeting of Shareholders as stated hereafter.

**1. Date and Time:** Thursday, June 27, 2019, at 10 a.m. (JST)

**2. Venue:** Head Office of the Company  
4-8-33 Shibaura, Minato-ku, Tokyo

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. Reports on the Business Report and the Non-Consolidated Financial Statements for the 105th fiscal year (from April 1, 2018 to March 31, 2019)
2. Reports on the Consolidated Financial Statements for the 105th fiscal year (from April 1, 2018 to March 31, 2019) and the results of the audits of the Consolidated Financial Statements by the Independent Accounting Auditor and the Audit & Supervisory Board

#### **Matters to be resolved:**

- |                       |                                 |
|-----------------------|---------------------------------|
| <b>Proposal No. 1</b> | Appropriation of Surplus        |
| <b>Proposal No. 2</b> | Election of 14 Directors        |
| <b>Proposal No. 3</b> | Election of One Auditor         |
| <b>Proposal No. 4</b> | Payment of Bonuses to Directors |

1. If you are attending the meeting in person, please submit the enclosed voting form to the reception.
2. Notes to the non-consolidated financial statements and notes to the consolidated financial statements are posted on the Company’s website (<https://www.kandenko.co.jp/>) pursuant to the applicable laws and regulations and the Company’s Articles of Incorporation. The financial statements, etc., attached hereto are a part of the financial statements, etc. which the Audit & Supervisory Board Members and the Independent Accounting Auditor audited in preparing their audit reports.
3. If any modifications are made to items in the documents attached hereto or the Reference Documents for General Meeting of Shareholders will be posted on the Company’s website (<https://www.kandenko.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1      Appropriation of Surplus

The Company proposes the appropriation of surplus by means of a year-end dividend of ¥13 per share, totaling ¥2,655,367,169, based on its dividend policy of adhering to the stable and continuous payment of dividends. It is also proposed that the effective date of the year-end dividend shall be June 28, 2019.

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and their aggregate amount  
¥13 per share  
Total dividends: ¥2,655,367,169
- (3) Effective Date  
June 28, 2019

## Proposal No. 2 Election of 14 Directors

At the conclusion of this meeting, the terms of office of all 14 Directors will expire. Therefore, the Company proposes the election of 14 Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company	Number of the Company's shares owned
1	<p>Masataka Ishizuka (February 18, 1943)</p> <p>Reelection Outside Independent</p> <p>Board of Director's Meeting Attendance 16/17 meetings</p> <p>Tenure as Director (as of the conclusion of this meeting) 4 years</p>	<p>June 2004 Executive Vice President of Central Japan Railway Company</p> <p>June 2008 President of JR TOKAI AGENCY CO., LTD. (until June 2012)</p> <p>May 2014 Curator of GRANSHIP convention center, Shizuoka Cultural Foundation (current position)</p> <p>June 2015 Director of the Company (current position)</p> <p>&lt;Significant Concurrent Positions outside the Company&gt; Curator of GRANSHIP convention center, Shizuoka Cultural Foundation</p>	0 shares
	<p>Reasons for nomination as candidate for outside Director</p> <p>Masataka Ishizuka has experience and expertise, etc. gained through serving as Director of Central Japan Railway Company and JR TOKAI AGENCY CO., LTD which will contribute to management of the Company.</p> <p>Summary of details of the limited liability agreement</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Masataka Ishizuka to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act.</p>		
2	<p>Yuji Ueda (January 26, 1960)</p> <p>Reelection Board of Director's Meeting Attendance 12/12 meetings</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</p>	<p>Apr. 2016 Managing Director and General Manager of TEPCO Energy Partner, Inc.</p> <p>July 2017 Joined the Company as Executive Managing Officer and Deputy Executive General Manager of Sales Division and in charge of Group Business</p> <p>June 2018 Managing Director and Executive Officer</p> <p>Oct. 2018 Managing Director, Executive Officer, and Deputy Executive General Manager of Sales Division in charge of Group Business (current position)</p>	3,700 shares
	<p>Reasons for nomination as candidate for Director</p> <p>Yuji Ueda has experience and expertise, etc. gained through serving in positions that include Managing Director of TEPCO Energy Partner, Inc. as well as Managing Director and Executive Officer of the Company which will contribute to management of the Company.</p>		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company		Number of the Company's shares owned
3	Takashi Uchino (November 17, 1951)  Reelection Outside Independent  Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 6 years	Apr. 1990  June 2013	Professor of Department of Management, Gakushuin University Faculty of Economics (until March 2019)  Director of the Company (current position)	0 shares
	Reasons for nomination as candidate for outside Director Takashi Uchino has broad expertise, etc. as a university professor and as a business administration expert which will contribute to management of the Company even though he has never been involved in the management of a company.  Summary of details of the limited liability agreement Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Takashi Uchino to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act.			
4	Shoichiro Kashiwabara (December 14, 1958)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 4 years	Apr. 1981 Oct. 2014  June 2015 June 2016  June 2017 Oct. 2018	Joined the Company Senior Executive Officer (management planning, general affairs and human resources & welfare) Managing Director and Executive Officer Senior Managing Director and Executive Officer Executive Vice President Executive Vice President, Executive Officer, and Division Manager of Corporate Division in charge of Overall Operations and Internal Control Division (current position)	19,718 shares
	Reasons for nomination as candidate for Director Shoichiro Kashiwabara has knowledge in the operation of the area of administration as well as his experience and expertise, etc. gained through serving in positions that include Executive Vice President which will contribute to management of the Company.			
5	Shinichiro Kitayama (July 14, 1955)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 5 years	Apr. 1979 July 2013  June 2014 June 2016  Oct. 2018	Joined the Company Executive Managing Officer, Branch Manager of Kansai Branch Managing Director and Executive Officer Senior Managing Director and Executive Officer Senior Managing Director, Executive Officer, Division Manager of Social Infrastructure Division, and Head of Sales Unit (current position)	13,074 shares
	Reasons for nomination as candidate for Director Shinichiro Kitayama has knowledge in the operation of the area of electric power & civil engineering as well as his experience and expertise, etc. gained through serving in positions that include Senior Managing Director and Executive Officer which will contribute to management of the Company.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company		Number of the Company's shares owned
6	Kiyoshi Goto (July 15, 1950)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 8 years	Apr. 2008 Apr. 2011 June 2011 June 2014 June 2015 June 2017 Oct. 2017  <Significant Concurrent Positions outside the Company> President of Japan Electrical Construction Association	Executive Officer of KDDI CORPORATION Joined the Company as Advisor Managing Director and Executive Officer Senior Managing Director and Executive Officer Executive Vice President Chairman and Director (current position) President of Japan Electrical Construction Association (current position)	32,300 shares
	Reasons for nomination as candidate for Director Kiyoshi Goto has experience and expertise, etc. gained through serving in positions that include Chairman and Director of the Company which will contribute to management of the Company.			
7	Hajime Saito (July 7, 1956)  New election Outside Independent	Apr. 1979 Apr. 2009  June 2009 Apr. 2010  Apr. 2011 June 2011  Apr. 2015 May 2015 Apr. 2016	Joined The Dai-Ichi Kangyo Bank, Limited Managing Executive Officer and Head of Internal Audit Group of Mizuho Financial Group, Inc. Managing Director and Head of Internal Audit Group Managing Director, Head of Risk Management Group, Head of Human Resources Group, and Head of Compliance Group Deputy President & Executive Officer of Mizuho Securities Co., Ltd. Deputy President and Deputy President & Executive Officer Advisor of Mizuho Capital Co., Ltd. Deputy President President (until April 2019)	0 shares
	Reasons for nomination as candidate for outside Director Hajime Saito has experience and expertise, etc. gained through serving in positions that include Director of Mizuho Financial Group, Inc. and Mizuho Securities Co., Ltd., etc. which will contribute to the management of the Company.  Summary of details of the limited liability agreement If Hajime Saito assumes the office of outside Director, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the same Act.			
8	Shigenori Takaoka (September 13, 1958)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 4 years	June 2013 Oct. 2014  June 2015 June 2016  June 2017 Oct. 2018	Dispatched to the Company from Power Grid Company of Tokyo Electric Power Company, Incorporated (until June 2015) Senior Executive Officer and Deputy Executive General Manager of Power Division of the Company Managing Director and Executive Officer Senior Managing Director and Executive Officer Executive Vice President Executive Vice President in charge of Overall Operations, Social Infrastructure Division, and Fukushima Division (current position)	13,900 shares
	Reasons for nomination as candidate for Director Shigenori Takaoka has knowledge in the operation of the area of power distribution as well as his experience and expertise, etc. gained through serving in positions that include Executive Vice President of the Company which will contribute to management of the Company.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company		Number of the Company's shares owned
9	Kenichi Takahashi (September 24, 1954)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 5 years	Apr. 1973 July 2011  June 2013 June 2014 Jan. 2015  June 2015  June 2016 Jan. 2019	Joined the Company Executive Managing Officer and Branch Manager of Chuo Branch Managing Director and Executive Officer Special Sales Promotion Officer Senior Executive Officer and Deputy Executive General Manager of Tokyo Sales Division Senior Managing Director and Executive Officer Executive Vice President and Executive Officer Executive Vice President, Executive Officer, and Acting Division Manager of Sales Division in charge of Safety and Environment Division, Cost Management Division, International Business Division, and Strengthening of Corporate Structure (current position)	24,100 shares
	Reasons for nomination as candidate for Director Kenichi Takahashi has knowledge in the operation of the area of electrical engineering, environmental facilities and systems, and renovation as well as his experience and expertise, etc. gained through serving in positions that include Executive Vice President and Executive Officer which will contribute to management of the Company.			
10	Shigeru Nagaoka (August 26, 1956)  Reelection Board of Director's Meeting Attendance 16/17 meetings  Tenure as Director (as of the conclusion of this meeting) 2 years	Apr. 1979 July 2016  June 2017 July 2017	Joined the Company Executive Managing Officer, Division Manager of Kitakanto & Hokushinetsu Sales Division Managing Director and Executive Officer Managing Director, Executive Officer, and Division Manager of Tokyo Sales Division (current position)	6,500 shares
	Reasons for nomination as candidate for Director Shigeru Nagaoka has knowledge in the operation of the area of electrical engineering, environmental facilities and systems, and renovation as well as his experience and expertise, etc. gained through serving in positions that include Managing Director and Executive Officer which will contribute to management of the Company.			
11	Toshio Nakama (February 25, 1960)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 4 years	Apr. 1982 Oct. 2014  June 2015 June 2017 Oct. 2018	Joined the Company Senior Executive Officer, Division Manager of Kitakanto & Hokushinetsu Sales Division, and General Manager of Saitama Branch Managing Director and Executive Officer Executive Vice President and Executive Officer Executive Vice President and Executive Officer, Division Manager of Sales Division, and Head of Sales Unit (current position)	11,100 shares
	Reasons for nomination as candidate for Director Toshio Nakama has knowledge in the operation of the area of electrical engineering, environmental facilities and systems, and renovation as well as his experience and expertise, etc. gained through serving in positions that include Executive Vice President and Executive Officer which will contribute to management of the Company.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company		Number of the Company's shares owned
12	Shinichi Miyauchi (January 8, 1960)  New election	Apr. 1982	Joined the Company	3,700 shares
		July 2012	Executive Officer and Division Manager of Cost Management Department of Electric Power Division, General Manager of Cost Management Department of Sales Division in charge of special appointee of promoting cost reform	
		July 2013	Executive Officer and Branch Manager of Ibaraki Branch	
		July 2014	Senior Executive Officer and Branch Manager of Ibaraki Branch in charge of setting up the regional headquarters	
		Oct. 2014	Senior Executive Officer, Deputy Executive General Manager of East Kanto Sales Division, and Branch Manager of Ibaraki Branch	
		June 2015	Senior Executive Officer and Division Manager of Power Division	
		July 2016	Executive Managing Officer and Division Manager of Safety, Environment and Quality Division	
		July 2017	Senior Executive Managing Officer in charge of Group Management	
		Oct. 2018	Senior Executive Managing Officer and Division Manager of Cost Management Division (current position)	
Reasons for nomination as candidate for Director Shinichi Miyauchi has knowledge in the operation of the area of administration as well as his experience and expertise, etc. gained through serving in positions that include Division Manager of Cost Management Division.				
13	Yoshimi Morito (January 5, 1956)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 5 years	Apr. 1974	Joined the Company	21,700 shares
		July 2013	Executive Managing Officer and Branch Manager of Kanagawa Branch	
		June 2014	Managing Director and Executive Officer	
		June 2015	Executive Vice President	
		June 2016	President and Executive Officer (current position)	
Reasons for nomination as candidate for Director Yoshimi Morito has experience and expertise, etc. gained through serving in positions that include President and Executive Officer which will contribute to management of the Company.				
14	Toru Yukimura (December 3, 1957)  Reelection Board of Director's Meeting Attendance 17/17 meetings  Tenure as Director (as of the conclusion of this meeting) 3 years	Apr. 1981	Joined the Company	13,000 shares
		June 2015	Executive Officer (Dispatched to KANKO SYOJI CO., LTD. (President of the same company))	
		June 2016	Managing Director and Executive Officer	
		Oct. 2018	Managing Director, Executive Officer, and Acting Division Manager of Corporate Division (accounting and IT unit) (current position)	
Reasons for nomination as candidate for Director Toru Yukimura has knowledge in the operation of the area of administration as well as his experience and expertise, etc. gained through serving in positions that include Managing Director and Executive Officer which will contribute to management of the Company.				

**Proposal No. 3** Election of One Auditor

At the conclusion of this meeting, Takehiro Yamaguchi will resign as Auditor. Therefore, the Company proposes the election of 1 Auditor.

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

The candidate for Auditor is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the company	Number of the Company's shares owned
Shoichi Muto (June 20, 1956)  New election Outside	Apr. 1981      Joined Tokyo Electric Power Company, Incorporated June 2006      General Manager of Development Planning Division June 2010      General Manager of TEPCO Research Institute Jan. 2013      General Manager of Decontamination Promotion Office, Fukushima Division Apr. 2016      General Manager of Decontamination Promotion Office of Tokyo Electric Power Company Holdings (current position)	0 shares
<p>Reasons for nomination as candidate for outside Auditor</p> <p>Shoichi Muto has experience and expertise, etc. gained through serving in positions at Tokyo Electric Power Company Holdings which will contribute to effective auditing of the Company, even though he has never been involved in the management of a company. Furthermore, Tokyo Electric Power Company Holdings has a special business relationship with the Company.</p> <p>Summary of details of the limited liability agreement</p> <p>If Shoichi Muto assumes the office of outside Auditor, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the same Act.</p>		



**Proposal No. 4**      Payment of Bonuses to Directors

The Company proposes to pay bonuses to 14 Directors (including two outside Directors) in office at the end of the current fiscal year, at the total amount of ¥120,000,000, taking into consideration the business results for the fiscal year under review, among others.

[Reference] Independence Criteria for Outside Directors and Outside Auditors of the Company

The Company determines an outside Director or an outside Auditor is independent if none of the criteria below is satisfied.

- (1) A person who executes business of the Company or its subsidiaries or a person who was someone who executed that business
- (2) A person who executes business of a major shareholder of the Company (shareholder who has 10% or more voting rights, including indirectly held voting rights) or a person who executes business of a company where the Company is a major shareholder
- (3) A person who executes business of a major lender of the Company (lender of the borrowings that exceed 1% of the total consolidated assets of the most recent fiscal year)
- (4) A person who executes business of a major business partner of the Company (dealings with an amount that exceeds 1% of consolidated revenue of the most recent fiscal year) or a person who executes business for a company who is a major partner of the Company
- (5) A representative partner or employee of an independent accounting auditor of the Company
- (6) A person who has received substantial economic benefits or donations from the Company (more than ¥10 million, excluding director's compensation) or a person who belongs to an association that has received such benefits or donations from the Company
- (7) A person who executes business for a company which has a relationship involving cross-assumption of office of outside officers
- (8) A person who has a relative (guardian or relatives by a collateral line up to the second degree) that fits the criteria in (1) through (6) (limited to officers and vital employees)
- (9) A person who satisfies (2) through (8) in the past five years