



KARDAN N.V.

NOTICE WITH AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

The extraordinary general meeting of shareholders of Kardán N.V. ("Kardán") will be held on Thursday September 15, 2011 at 2.30 pm CET at the Rosarium, Amstelpark 1, Europaboulevard, Amsterdam, the Netherlands ("EGM").

Agenda

1. Opening
2. Distribution in kind of all issued shares in the capital of Kardán Yazamut (2011) Ltd. (a newly incorporated 100% subsidiary of Kardán), which will hold prior to distribution a direct stake of approximately 74% in Kardán Israel Limited and an indirect stake of 97% in Milgam Municipal Services Ltd. (decision)
3. Any other business
4. Closing

As from today until the close of the EGM, the following documents are available for inspection on Kardán's website (www.kardan.nl) and copies are available free of charge by persons entitled to attend the meeting at Kardán's offices, at the addresses mentioned below and at the offices of ING Bank N.V., Bijlmerplein 888, Locatie-code/ Location code AMP L 02.007, 1102 MG Amsterdam, the Netherlands (fax number: +31 (0)20 – 563 6959 and email address: iss.pas.hbk@ing.nl):

- The agenda and the explanatory notes thereto;
- A form of proxy for representation at the meeting (please refer to further instructions on the use of proxy below); and
- The total number of shares on issue and voting rights on the day hereof and on the Record Date (if changes took place).

The aforesaid documents will also be available at the EGM.

Registration

In accordance with the statutory record date as set out in the Dutch Civil Code, those who are registered on **August 18, 2011** ("**Record Date**"), after the processing of settlements on that date, in one of the registers as mentioned hereinafter and who have given notice of their wish to attend the meeting, in accordance with the following, will have the right to attend the EGM.

The registers, designated for registered shares, forming part of the collective depot ("*verzameldepot*"), are the registers administered by the institutions affiliated to Euroclear Netherlands ("*aangesloten instellingen*"). The register, designated for other registered shares, is the shareholders' register of Kardán.

Holders of shares in the collective depot

In order to obtain entry to the EGM and to be able to exercise the rights attached to shares forming part of the collective depot, the holders thereof must register by instructing their affiliated institution to - via ING Bank N.V. - provide Kardán with a written declaration stating the name and the number of shares, which are and will be registered for the relevant shareholder on the Record Date. The written declaration is to be received by Kardán at the address in the Netherlands mentioned below no later



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than **September 8, 2011, at 6:00 pm CET**. Any restriction in connection with the registration of the shares on **September 8, 2011** will be lifted on the next trading day of the shares. The registration receipt ("*registratiebewijs*") provided to the shareholder by the affiliated institution will serve as an attendance card, which must be handed over upon entrance to the EGM.

Holders of other registered shares

In order to obtain entry to the EGM and to be able to exercise the rights attached to other registered shares, the holders thereof must confirm their attendance in writing to Kardán. Their registration is to be received by Kardán at the address in the Netherlands mentioned below no later than **September 8, 2011, at 6:00 pm CET**.

Holders of securities at TASE

Holders of beneficial rights to registered shares that are being traded on the Tel Aviv Stock Exchange ("**TASE**") are requested to contact their local bank or broker in Israel, to receive a "Confirmation of Ownership" on the Record Date and this Confirmation of Ownership should be deposited at the address in Israel mentioned below no later than **September 8, 2011, at 5:00 pm (local Israeli time)**. For more information about the procedure for the holders of beneficial rights to registered shares that are being traded on TASE please contact Mrs. Ayelet Weller, Kardán's Secretary in Israel at the address in Israel mentioned below.

Proxy

Shareholders (and other persons/entities entitled to attend the meeting) who wish to be represented at the EGM by a proxy shall register in accordance with what is stated above and shall deposit a written proxy dated after the Record Date (a form of such proxy is available on Kardán's website), to be received by Kardán in respect of (i) the holders of beneficial rights to registered shares that are being traded on TASE at the address in Israel mentioned below no later than **September 8, 2011, at 5:00 pm (local Israeli time)** and (ii) all other shareholders (and all other persons/entities entitled to attend the EGM) at the address of Kardán in the Netherlands mentioned below or at info@kardan.nl no later than **September 8, 2011, at 6:00 pm CET**.

Identification

Persons/entities entitled to attend the meeting can be requested to show evidence of identity prior to admission to the EGM. We therefore request those persons/entities to bring valid identification documents.

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Amsterdam, August 4, 2011

The management board

The supervisory board