

[Translation : For reference only]

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Sanwa Holdings Corporation

(Stock Code: 5929)

June 3rd, 2011

1-1, Nishi-Shinjuku 2-Chome,
Shinjuku-ku, Tokyo, Japan

Toshitaka Takayama
Representative Director,
President & CEO

Convocation Notice of The 76th Ordinary General Meeting of Shareholders

To Our Shareholders;

We hereby would like to appreciate your constant and deep consideration to the Company. We also would like to express our deepest sympathy to our shareholders who are damaged and suffered by Higashi-Nihon Dai-Shinsai occurred in March this year.

The 76th Ordinary General Meeting of Shareholders of Sanwa Holdings Corporation (the "Company") will be held as described below and you are cordially invited to attend the Meeting.

If you will be unable to attend the Meeting, you may exercise your voting rights in writing after reviewing the following Reference Materials for Shareholders' Meeting. In such case, please indicate your consent or dissent to the proposals on the enclosed Form for Exercise of Voting Rights and return it by mail to reach the Company no later than 5:15 p.m. on Thursday, June 23rd, 2011.

Recitals

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| 1.Date and Time | Friday, June 24 th , 2011, at 10:00 a.m. |
| 2.Place | NS Sky-Conference Room 1, Shinjuku NS Building, 30th floor
4-1, Nishi-Shinjuku 2-Chome
Shinjuku-ku, Tokyo |

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3. Agenda of the Meeting:

Matters to be Reported:

1. Report on the Business Report, the Consolidated Financial Statements, and the Audit Reports of the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements, for the 76th Term (from April 1, 2010 to March 31, 2011).
2. Report on the Financial Statements for the 76th Term (from April 1, 2010 to March 31, 2011).

Matters to be Resolved:

- | | |
|-------------|--|
| Proposal 1: | Appropriation of Surplus |
| Proposal 2: | Partial Amendment of the Articles of Incorporation |
| Proposal 3: | Election of 3 Corporate Auditors |
| Proposal 4: | Delegation of Gratis Allotment of Stock Acquisition Rights for the purpose of Takeover Defense |

End

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- Upon attending the Meeting, please present the enclosed Form for Exercise of Voting Rights to the receptionist.
 - When the need arises to amend Reference Materials for the Convocation Notice and the Shareholders' Meeting, such amendments will be announced on the Company's website at <http://www.sanwa-hldgs.co.jp/> on Internet.

Reference Materials for Shareholders' Meeting

Proposals and Reference Materials

Proposal 1: Appropriation of Surplus

It is proposed that surplus to be appropriated as follows.

Matters related to term-end dividends

It is the Company's basic policy to provide dividend payments related to consolidated performance and to keep stable payout ratio in order to further pursue corporate management for increasing the corporate value. Concretely, dividend payments of the consolidated net income for the term is aimed to be 30% as payout ratio.

However, for this term, net loss is recognized due to cost and loss caused by special factors like amortization of goodwill and surcharge payment so forth where the basic policy regarding dividend payments described above is not applied.

We propose to provide the 76th term-end dividends as ¥4 per share of common stock as stated below by taking into account above situations.

(1) Type of dividend assets

Cash

(2) Items relating to the allocation of dividend assets to shareholders and its total amount

¥4 per share of common stock Total ¥961,229,172

(¥8 per annum adding paid interim dividend ¥4 per share)

(3) Effective date of payment of dividend from surplus

June 27, 2011

Proposal 2: Partial Amendment of the Articles of Incorporation

1. Reasons for the proposal

Along with the business expansion of the Company's group, new business purposes are added to the Article 2 (Objectives) of Articles of Incorporation.

2. Contents of the amendment

Contents of the amendment are as follows.

(The amended parts are underlined)

Current Articles of Incorporation	Proposed Amendment
Section I: General Provision (Objectives) Article 2 The Objectives of the Company are to conduct the following business, as well as to control and manage	Section I: General Provision (Objectives) Article 2 < same as present >

<p>business activities of the companies or foreign companies which conduct following or similar type of business, through holding their entire or partial shares.</p> <p>1. Production, installation, sales and export/import of various shutter, sash, partition, construction metal, interior or exterior products, fixtures, fittings, air conditioning system, elevator for carry, cleaner and device or system for recycling industrial waste.</p> <p>2. Production, processing, sales and export/import of residence and construction materials for building.</p> <p>3. Production, installation, sales and export/import of emergency facility.</p> <p>4. Design, management, contract and construction of building.</p> <p>5. Production, installation, sales and control of electrical facilities and anti-burglar system.</p> <p>6. Renovation, reconstruction and reformation of housing.</p> <p>7. Production, sales and export/import of care goods and device.</p> <p>8. Maintenance service to each of aforesaid paragraph. <new addition></p> <p>9. Management, maintenance and cleaning of building and its related facilities.</p> <p>10. Total security business.</p> <p>11. Total leasing business.</p> <p>12. Operation of home-center.</p> <p>13. Agency of liability insurance and sales promotion of life insurance</p> <p>14. Development, sales of computer software & IT system and sales of computer and its related device.</p> <p>15. Sales, management, rent and agent for real estate.</p> <p>16. Sales, possession and investment of securities.</p> <p>17. Loan and debt guarantee.</p> <p>18. Freight business.</p> <p>19. Any business relating to any of aforesaid paragraph.</p>	<p>1.</p> <p>~ < same as present ></p> <p>8.</p> <p><u>9. Acceptance of testing consignment of fire proof, insulation, airtightness so forth for any products related to each of aforesaid paragraph.</u></p> <p><u>10.</u></p> <p>~ < same as present ></p> <p><u>20.</u></p>
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Proposal 3: Election of 3 Corporate Auditors

At the close of this shareholders' meeting, the terms of Messrs. Masaru Kurosawa, Seiji Fukuchi and Katsuhiko Tanabe will expire, so we propose the election of 3 Corporate Auditors.

As to this proposal, approval from the Board of Auditors has been obtained.

The candidates of Corporate Auditors are as follows.

Candidate NO.	Name (Date of Birth)	Personal History, Positions, Role at the Company, (Representation of Other Organizations)	Number of Company Shares Held
1	Masaru Kurosawa December 23, 1944	<p>March 1967 Joined the Company</p> <p>April 1993 General Manager, Okinawa District</p> <p>April 1996 President, Okinawa Sanwa Shutter Corp.</p> <p>April 1999 General Manager, Sales Promotion Div. Kansai District</p> <p>April 2000 General Manager, Stainless & Entrance Div. West Japan Co.</p> <p>April 2002 General Manager, Sales Planning Div.</p> <p>June 2002 Executive Officer</p> <p>April 2004 Managing Executive Officer</p> <p>April 2004 General Manager, Sales Integration Div.</p> <p>April 2005 President, East Japan Co.</p> <p>April 2006 General Manager, Business Promotion Div.</p> <p>April 2007 President, Sanwa Shutter Corp.</p> <p>April 2007 Counselor</p> <p>June 2007 Standing Corporate Auditor (present) (Other)</p> <p>(Corporate Auditor of Venix Co., Ltd.)</p>	29,000 Shares
2	Seiji Fukuchi January 25, 1945	<p>March 1967 Joined the Company</p> <p>April 2002 President, Front Co.</p> <p>June 2002 Executive Officer</p> <p>April 2004 Managing Executive Officer</p> <p>April 2005 President, Housing Material Co.</p> <p>April 2006 Senior Managing Executive Officer Responsible for Enhancement of Selective Business</p> <p>June 2006 Director</p> <p>April 2007 President, East Japan Co.</p> <p>October 2007 Director, Senior Managing Executive Officer of Sanwa Shutter Corp.</p> <p>April 2008 Corporate Auditor, Sanwa Shutter Corp. (present)</p> <p>June 2010 Standing Corporate Auditor (present) (Other)</p> <p>(Corporate Auditor, Sanwa Shutter Corp. Showa Front Co., Ltd. Sanwa Tajima Corp.)</p>	21,000 Shares

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Candidate NO.	Name (Date of Birth)	Personal History, Positions, Role at the Company, (Representation of Other Organizations)	Number of Company Shares Held
3	Katsuhiko Tanabe August 14, 1942	<p>April 1973 Attorney Registration</p> <p>September 1979 Representative of Tanabe & Partners (present post)</p> <p>April 1995 Vice Chairman of the Daiichi Tokyo Bar Association</p> <p>April 1997 Vice President of the Kanto Federation of Bar Association</p> <p>April 1998 Executive Governor of Japan Federation of Bar Association</p> <p>June 2000 Outside Corporate Auditor (present) (Other)</p> <p>(Representative, Tanabe & Partners Outside Director, Yamatake Corp. Outside Director, MIRAIT Holdings Corp.)</p>	0 Shares

Notes:

1. None of the candidates for Corporate Auditors has any special conflict of interest with the Company.
2. Mr. Katsuhiko Tanabe is a candidate for Outside Auditor. We have submitted to Tokyo Stock Exchange, Inc. an Independent Director List which states his name as an independent auditor.
3. Mr. Katsuhiko Tanabe is currently our Outside Auditor and the term of his office as Outside Auditor will become 11 years at the close of this shareholders' meeting.
4. Reason for proposing Mr. Katsuhiko Tanabe as a candidate for Outside Auditor is that we expect to receive adequate advice from independent and legal point of view on the management of the Company based on his long-term career as attorney with ample experience and legal profession. He has never participated in management of corporation other than outside director or outside auditor, however, based upon the reasons referred above, we decide that he can perform the duty as Outside Auditor adequately.
5. As of June in last year, the Company and our subsidiary, Sanwa Shutter Corporation (SSC), received "cease and desist order (to SSC)" and "payment order of surcharge (to SSC and us)" from Japan Fair Trade Commission based upon the violation of "Act on Prohibition of Private Monopolization and Maintenance of Fair Trade" regarding bid-rigging in Kinki region, and SSC further received "cease and desist order" and "payment order of surcharge" from the same Commission alleging that SSC violated "Act on Prohibition of Private Monopolization and Maintenance of Fair Trade" regarding "price-cartel in nation-wide". Furthermore, October last year, SSC received "disposition of business suspension" from Ministry of LITT based

upon “Construction Business Act” along with the fix of aforesaid “cease and desist order regarding bid-rigging in Kinki region”.

Mr. Katsuhiko Tanabe always has made suggestions from compliance point of view and called attention to us. Furthermore, after the happening of matter above, he has suggested for our own investigation and made various suggestions and opinions for prevention of reoccurrence through further enhancement of internal control system.

6. In order to invite skillful persons as for outside auditors for aiming enhancement of corporate governance of the Company, article 35 of our Articles of Incorporation provides that the Company can enter into a limited liability agreement with Outside Auditor. Hence, according to paragraph 1 in article 427 of Companies Act and article 35 of our Articles of Incorporation, the Company has entered into an agreement with Mr. Katsuhiko Tanabe that the liability amount related to paragraph 1 in article 423 of the same law shall be limited within the amount of provision by law.

In case of his reelection, the Company will further continue to enter into a limited liability agreement with him.

Proposal 4: Delegation of Gratis Allotment of Stock Acquisition Rights for the purpose of Takeover Defense

In order to ensure and enhance the corporate value of the Company and the common interests of its shareholders as prescribed in countermeasure to Large Acquisition of Company’s Share (the “Plan”), we request approval to delegate the decision making on the matter of Gratis Allotment of Stock Acquisition Rights to the Company’s Board of Directors in accordance with the transaction stipulated 3 below, titled “Contents of the Plan” based on Article 14 of the Company’s Articles of Incorporation (Decision making body for gratis allotment of stock acquisition right) .

Recitals

1. Reasons for the necessity of the approval for delegating the Decision Making on the matter of Gratis Allotment of Stock Acquisition Rights

In accordance with the basic policy regarding eligibility of a person to control the decision on financial and business policies of the Company (the “Basic Policy”), as bout for preventing non-qualified person from controlling the decision on financial and business policies of the Company, countermeasure to Large Acquisition of Company’s Share (the “Takeover Defense”) was amended and approved at the 73rd Ordinary General Meeting of Shareholders on June 24, 2008, (later, on April 28, 2009, at the Company’s Board of Directors Meeting, the necessary modification to the Takeover Defense along with share certificate computerization was made. (the “Current Plan”)).

As to considering the situation that the Current Plan will expire at the close of this shareholders' meeting, the Company's Board of Directors resolved on May 18, 2011 that the Plan is renewed by adding necessary changes to the Current Plan subject to the approval of shareholders at this shareholders meeting, in accordance with the Basic Policy, where to prevent inappropriate persons from controlling the decision on financial and business policies of the Company, to restrain large-scale acquisition infringing the corporate value of the Company or the common interests of its shareholders, as well as, at the time of large-scale acquisition attempt, to maintain a frame for presenting plans or alternative proposals, etc. of the Company's Board of Directors to the shareholders or, for the shareholders, to secure time for information collection, consideration, and decision whether or not to accept such large-scale acquisition proposal, or, on behalf of shareholders, the Company's Board of Directors to negotiate with those persons. Hence, the Company's Board of Directors requests approval to delegate the decision making on the matter of Gratis Allotment of Stock Acquisition Rights to the Company's Board of Directors.

2. Basic Policy on persons to be qualified for controlling the decision on financial and business policies of the Company

The mission of the Company group (the "Group") is "To Contribute to the society through providing safety, security and convenience " and it has been making efforts to ensure and enhance the corporate value of the Company and interests of its shareholders by providing products and services which reflect the Group mission.

Furthermore, the Group has established the following management philosophy and believes that implementing the philosophy is a source of its corporate value.

- (1) To deliver products and services to satisfy all customers;
- (2) To become a true global Company group and be highly valued in each market of the world
- (3) To put the creativity of each individual together as a team to enhance the corporate value

Under such management philosophy, the Group has developed its business in the major areas of the world such as U.S., Europe, and China (Asia) based on the strong business base in Japan. The Group has promoted sales, procurement, production, technology development, and new business development that meet the characteristics of each area in cooperation with local group companies, and believes that the Group needs to maximize its global synergy to provide competitive products and services that can satisfy its customers. The Group also has tackled to establish the "Global top brand in the steel construction material industry". Fostering and establishing the brand cannot be achieved in a very short time. The executive officers and employees of the Group have closely cooperated with each other to provide security, safety, and convenience to the

customers in a mid- and long-term basis. The Group understands that it needs to expand its information disclosure and make its best efforts to achieve the corporate responsibility such as compliance with laws & regulations, environmental protection and social contribution in order to respond to the expectation and credibility granted to us by the society, which also leads to obtain the credibility of its customers.

In order to enhance the corporate value of the Group and interests of its shareholders continuously in a long-term basis as a result of these challenges, it is necessary for the Company to maintain and develop an appropriate relationship not only with the shareholders but also with other stakeholders such as customers, business partners, employees, and local people concerned. Accordingly, the Company needs to consider interests of these stakeholders when managing the Company.

Therefore, when the Company receives a large share acquisition proposal, it needs to fully understand every factor which constitutes its corporate value such as the purpose of the large acquisition proposal by the purchaser, feasibility and legality of the business plan proposed by the purchaser, possible impact on tangible and intangible management resources such as the Group's brand and human resources, impact on the stakeholders and subsequent affect on the corporate value, and synergy effect as a result of synthetic combination of global resources in order to properly determine the impact of the acquisition proposal on its corporate value and common interests of its shareholders.

The Company understands that its shareholders are automatically determined through free transactions of its shares in the market. Decisions regarding any acquisition proposal that would result in the transfer of control of a corporation should ultimately be made based on the intent of the shareholders as a whole. However, in consideration of various factors mentioned above, the Company believes that large-scale share purchaser who does not ensure or enhance the corporate value and, in turn, the common interests of the shareholders are not appropriate to control the decision on its financial and business policy.

More concretely, it is not rare to see that proposals which are not beneficial to the corporate value of the Company and the common interests of its shareholders such as the purpose of acquiring the Company would obviously harm its corporate value and the common interests of its shareholders; an acquisition which applies a method that substantially coerces the shareholders to sell their shares; takeover bid or acquisition proposal without providing sufficient information or time to allow shareholders and the Company's Board of Directors to examine and show its alternative idea to the acquisition proposal; an acquisition proposal without providing sufficient time for the Company to negotiate with the purchaser in order to make conditions more beneficial for shareholders than the purchaser's proposal, etc..

Hence, unless a purchaser fully understands the intrinsic value of the Company and

is capable of ensuring and enhancing it in medium/long-term range, the acquisition will harm the corporate value of the Company and the common interests of shareholders.

3. Contents of the Plan

(1) Purpose of the Plan

The Plan is renewed along with the Basic Policy to ensure and enhance the corporate value of the Company as well as the common interests of its shareholders. The Company's Board of Directors believes, as indicated in the Basic Policy, that persons who would propose large-scale acquisition of the share certificates of the Company or the like in a manner where it does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate to control the decision on financial and business policies of the Company. Purpose of the Plan is to prevent such inappropriate persons to control the decision on financial and business policies of the Company and to restrain large-scale acquisition infringing the corporate value of the Company or the common interests of its shareholders. In addition, at the time of large-scale acquisition attempt, the Plan aims to present plans or alternative proposals, etc. of the Company's Board of Directors to the shareholders or, for the shareholders, to secure time for information collection, consideration, and decision whether or not to accept such large-scale acquisition proposal, or, on behalf of shareholders, the Company's Board of Directors to negotiate with those persons.

For your information, the Company does not receive any proposal from any third party for large-scale acquisition at this moment in time.

(2) Procedures for Triggering or Not triggering of the Plan

(a) Targeted Acquisition

The Plan will be applied when the following action stated in 1) or 2) or similar to those (including proposals, but excluding the proposals which are exempted by separate resolution of Company's Board of Directors Meeting: the "Acquisition") is conducted.

1) An Acquisition that would result in the holding ratio of share certificates, etc.¹ of the holder² amounting to 20% or more of the share certificates, etc.³ issued by the Company.

2) A tender offer⁴ that would result in the owning ratio of share certificates, etc.⁵

¹ "Holding ratio of share certificates, etc" is defined in Paragraph 4 of Article 27-23 of the Financial Instruments and Exchange Act (the Law). This definition is applied throughout this proposal unless otherwise so stated herein.

² "Holder" is defined in Paragraph 3 of Article 27-23 of the Law (including a person whom the Board of Directors would consider to include). The same is applied throughout this proposal.

³ "Share certificates, etc." is defined in Paragraph 1 of Article 27-23 of the Law. The same is applied throughout this proposal.

⁴ "Tender offer" is defined in Paragraph 6 of Article 27-2 of the Law. The same is applied throughout this proposal.

⁵ "Owning ratio of share certificates, etc" is defined in Paragraph 8 of Article 27-2 of the Law. The same is applied throughout this proposal.

relating to the tender offerer and the owning ratio of share certificates, etc. of a person having a special relationship⁶ with the tender totaling 20% or more of the share certificates, etc.⁷ issued by the Company.

The person who is to make or propose the Acquisition (the “Acquirer”) must comply with the procedures previously set forth in the Plan and prohibited to any Acquisition until and unless the Company’s Board of Directors resolves not to implement the gratis allotment of stock acquisition rights (summarized in article (7) below as titled “Outline of the Stock Acquisition Rights”: the “Stock Acquisition Rights”) in accordance with the Plan.

(b) Establishment of Independent Committee

The Plan will establish an Independent Committee in accordance with the “Rules of the Independent Committee”⁸, in order to eliminate arbitrary decisions by the management of the Company (internal directors and executive officers) in making decisions on the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights or on the acquisition of the Stock Acquisition Rights. The members of the Independent Committee at the time of renewal of the Plan are to be listed in Attachment 1 “Names and Career Summary of Members of the Independent Committee”.

(c) Submission of Acquirer’s Statement

⁶ “A person having a special relationship” is defined in Paragraph 7 of Article 27-2 of the Law (including a person whom the Board of Directors would consider to include). Provided, however, that for the persons who are listed in Item 1 of the same Paragraph, a person who is subject to Paragraph 2 of Article 3 of the Cabinet Office Regulation concerning disclosure of a tender offer for stock by any person or body other than the issuer shall be excluded. The same is applied throughout this proposal.

⁷ “Share certificates, etc.” is defined in Paragraph 1 of Article 27-2 of the Law.

⁸ The outline of the “Rules of the Independent Committee” is as follows.

- The number of members of the Independent Committee shall be no less than three (3), and the Company’s Board of Directors shall elect the members from (i) outside directors of the Company, (ii) outside auditors of the Company, or (iii) outside experts who are independent from the management that conducts the execution of the business of the Company; provided, however, that such experts must be experienced corporate managers, persons with knowledge of the investment banking industry, lawyers, certified public accountants, researchers whose research focuses on Corporation Act of Japan or the like, or persons of similar qualifications, and must have executed with the Company an agreement separately specified by the Company’s Board of Directors which contains a provision obligating them to exercise the due care of a prudent manager or a similar provision.

- Term of the initial office of the members of the Independent Committee shall be until expiration of the effective period of the Plan in principle; provided, however, that if any of the outside directors or outside auditors of the Company is no longer our outside director or outside auditor (excluding the case of reappointment), term of office as a member of the Independent Committee shall simultaneously terminate.

- The Independent Committee shall make decisions on any matters inquired by the Company’s Board of Directors or any other designated matters among what the Company’s Board of Directors shall decide such as implementation or non-implementation of gratis allotment of the Stock Acquisition Rights, cancellation of the gratis allotment of Stock Acquisition Rights or acquisition of the Stock Acquisition Rights without any consideration

- The Independent Committee can be convened by any member the Independent Committee and resolution of the Independent Committee shall, in principle, be passed by a majority of votes with at least two-thirds of the members of the Independent Committee to be present

Prior to the commencement of Acquisition, the Acquirer shall submit a document to the Company in the form separately provided by the Company that includes the Acquirer's pledge to comply with the procedures set out in the Plan (signed by or affixed with the name and seal of the representative of the Acquirer) and a qualification certificate of the representative who signed or affixed its name and seal to the document (collectively, the "Acquirer's Statement"). The Acquirer's Statement must include the name, address or location of headquarters, location of offices, governing law for establishment, name of the representative, contact information in Japan for the Acquirer, and outline of intended Acquisition. The Acquirer's Statement and the Acquisition Document set forth in (d) below must be written in Japanese.

(d) Request to the Acquirer for the provision of information

The Company will deliver the format (including a list of information which is required to be submitted to the Company by the Acquirer) of the Acquisition Document (defined hereunder) to the Acquirer no later than ten (10) business days after receiving the Acquirer's Statement. The Acquirer shall submit to the Company's Board of Directors the information regarding the Acquisition listed in Attachment 2 "Acquisition Information" (the "Acquisition Information") in the form prescribed by the Company (the "Acquisition Document") within a period reasonably determined by the Independent Committee.

(3) Consideration and analysis of the terms and method of Acquisition, negotiation with the Acquirer, and presentation of an alternative proposal, etc.

(a) Request to the Acquirer for provision of additional information

When the Company's Board of Directors receives the above Acquisition Document from the Acquirer, it immediately submits it to the Independent Committee. If the Company's Board of Directors and the Independent Committee determine that the contents of the Acquisition Document are insufficient as the Acquisition Information, it may, upon setting an appropriate deadline for response, request the Acquirer to additionally provide the Acquisition Information. In such case, the Acquirer shall provide the Acquisition Information additionally within the set time limit. The time limit for additional provision of the Acquisition Information (the "Final Deadline"), however, shall be no later than sixty (60) days from the receipt of the Acquisition Document.

(b) Request to the Company's Board of Directors for the provision of information

If the Acquirer submits the Acquirer's Statement and the Acquisition Information to be requested to submit additionally (the "Additional Information") as specified in article (a) above, the Independent Committee needs to consider and analyze the details of the Acquirer's Statement and the Acquisition Information, the business plan of the Company's Board of Directors, and the company valuation conducted by the

Company's Board of Directors in light of ensuring and enhancing the Company's corporate value and the common interests of its shareholders and thus may require the Company's Board of Directors to submit an opinion (including reservation of opinions; hereinafter the same) on the terms of Acquirer's Acquisition and supporting materials thereof, an alternative proposal (if any), and any other information or materials that the Independent Committee considers necessary accordingly. When such request is made, the Company's Board of Directors shall submit the requested information within a reply period stipulated by the Independent Committee (the "Board Consideration Period").

The Company group is coping with ensuring and enhancing the corporate value of the Company as well as the common interests of its shareholders by providing competitive products/services which meet the customers' need through balancing each business in Japan, the U.S., Europe and China (Asia) where to maximize global synergy effect as the Company group. Therefore, in order to evaluate/examine from many aspects whether or not the Acquirer's Acquisition may harm the corporate value of the Company as well as the common interests of its shareholders, and then to prudently get opinions together, the Company's Board of Directors considers that there would be totally ninety (90) days maximum period for the Board Consideration Period and the Committee Consideration Period (defined in article (c) below as titled "Consideration by the Independent Committee") altogether.

(c) Consideration by the Independent Committee

The Independent Committee will consider the terms and method of the Acquirer's Acquisition, and any alternative plan submitted by Company's Board of Directors (if any), collect the information on the business plans and other information of the Acquirer and the Company's Board of Directors, and provide the comparison analysis for a maximum period of ninety (90) days from the next day of the Final Deadline (as together with the Board Consideration Period) (the "Committee Consideration Period": a period for said consideration and information collection).

Further, if it is necessary to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Independent Committee will directly or indirectly (through the Company's Board of Directors) confer and negotiate with the Acquirer, if necessary, or present the alternative proposal, etc. by the Company's Board of Directors (if any) to shareholders or others.

In order to ensure and enhance the Company's corporate value and the common interests of its shareholders, the Independent Committee may, at the Company's cost, obtain advice from independent professionals such as investment banks (financial advisers), attorneys, certified public accountants, consultants or any other experts.

(4) Procedure to make a recommendation, etc. by the Independent Committee

If any Acquirer emerges, the Independent Committee will make a recommendation, etc. to the Company's Board of Directors in accordance with the following procedures.

(a) The case when the Independent Committee recommends the implementation of the Plan

When the Independent Committee determines that the Acquisition by the Acquirer meets any of the requirements set forth in article (6) below "Requirements for the gratis allotment of Stock Acquisition Rights" (the "Trigger Event"), the Independent Committee will recommend the implementation of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors unless otherwise it may need to negotiate or confer with the Acquirer or to obtain further information from the Acquirer. In the case when it is concerned whether or not the Acquisition falls under the Trigger Event 2, the Independent Committee may recommend the implementation of the gratis allotment of Stock Acquisition Rights subject to obtaining approval at a shareholders meeting in advance.

Notwithstanding the aforesaid paragraph, even after the Independent Committee has recommended the implementation of the gratis allotment of Stock Acquisition Rights, if it determines that either of the events 1) or 2) below applies, it may make a resolution to suspend the gratis allotment of Stock Acquisition Rights on or before two days prior to ex-rights with respect to the gratis allotment of Stock Acquisition Rights, or a new resolution concerning any act to be conducted, including acquiring the Stock Acquisition Rights without consideration, for the period from the effective date of the gratis allotment of Stock Acquisition Rights up to one preceding day of the first day of exercise period thereof, to be recommended to the Company's Board of Directors.

1) The case when the Acquirer withdraws from the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.

2) The case when there is no longer any Trigger Event due to a change in the facts, etc. upon which the recommendation decision was made.

(b) The case when the Independent Committee recommends the non-implementation of the Plan

If the Independent Committee determines that the Acquisition does not meet any of the requirements of Trigger Event, it will recommend the non-implementation of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors.

Notwithstanding the aforesaid paragraph, even after the Independent Committee has recommended the non-implementation of the gratis allotment of Stock Acquisition Rights, if there is a change in the facts, etc, upon which a recommendation decision was made and the Trigger Event emerges, the Independent Committee may make a new resolution including a recommendation on the implementation of the gratis

allotment of Stock Acquisition Rights, and recommend it to the Company's Board of Directors.

(c) The case when the Independent Committee extends the Committee Consideration Period

If the Independent Committee does not reach to make a recommendation on either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights by the expiry of the Committee Consideration Period, the Independent Committee may pass a resolution to extend the Committee Consideration Period, to the reasonable extent (but no more than thirty (30) days) that it is considered to be necessary for actions such as consideration of the terms of the Acquirer's Acquisition, negotiation with the Acquirer, and the discussion of an alternative proposal.

(d) Resolutions of the Board of Directors

The Company's Board of Directors as the organ defined in Corporate Act shall pass a resolution relating to the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, taking into consideration any recommendation of the Independent Committee to the maximum extent. However, based upon article (e) below, when the Shareholders Meeting for Confirmation is held, Company's Board of Directors shall follow the resolution approved in that shareholders meeting.

(e) Convocation of the Shareholders Meeting for Confirmation

Upon the implementation of the gratis allotment of Stock Acquisition Rights, the Company's Board of Directors may call a shareholders meeting (the "Shareholders Meeting for Confirmation") to confirm the Company's shareholders intent with respect to the implementation of the gratis allotment of Stock Acquisition Rights, if (i) in accordance with the article (4)-(a) above, the Independent Committee has recommended the implementation of the gratis allotment of Stock Acquisition Rights subject to obtaining approval at a shareholders meeting in advance, or (ii) in the case of being concerned whether or not an Acquisition falls under the Trigger Event 2, and the Company's Board of Directors resolves that it is appropriate to confirm the shareholders intent in light of due care of a prudent manager based upon the consideration for time allowance for holding a shareholders meeting.

(5) Disclosure of the Information

In the case when the Plan is applied, the Company will, in timely manner and in accordance with relating laws and/or ordinances, rules of financial instruments exchange, disclose information of the progress of each procedure stipulated in the Plan (the factual issue that the Acquirer's Statement/Acquisition Document are submitted, whether or not the Acquirer submits sufficient information, the start of the Committee's Consideration Period, and the extension of the Committee's Consideration Period, if any, including the fact and the reason as well as the terms of the extension), an outline of the

[Translation : For reference only]

recommendation provided by the Independent Committee, an outline of the resolution made by the Company's Board of Directors, an outline of the resolution approved at the Shareholders Meeting for Confirmation and anything considered appropriate to be disclosed by the Independent Committee or the Company's Board of Directors.

(6) Requirements for the gratis allotment of Stock Acquisition Rights

The Company intends to implement the gratis allotment of Stock Acquisition Rights in accordance with the procedures prescribed in article (4) above "Procedure to make a recommendation, etc. by the Independent Committee", if it is considered that an Acquisition of an Acquirer falls under any of the items below. As described in article (4) "Procedure to make a recommendation, etc. by the Independent Committee", the determination of whether or not an Acquisition of an Acquirer falls under any requirement below shall be made based on the recommendation of the Independent Committee at any time.

Recitals

Trigger Event 1

In the case when an Acquisition is not in compliance with the procedures prescribed in the Plan (including cases where reasonable time and/or information necessary to consider the details of the Acquisition is not offered) and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

Trigger Event 2

In the case when an Acquisition falls under any of requirements stated below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

(a) An Acquisition that threatens to cause obvious harm to ensure and enhance corporate value of the Company and the common interests of its shareholders through any of the acts stated in 1) through 4) below:

- 1) A buyout of share certificates to require such share certificates to be compulsorily purchased by the Company at an inflated price.
- 2) Act of Company management to achieve an advantage for the Acquirer and its group companies to the detriment of the Group, such as temporary control of the Group's management for the low-cost acquisition of the Group's material assets (production facility, intellectual property right, know-how, confidential corporate information, and transaction with customers and business partners).
- 3) Diversion of the Group's assets as underlying asset for the security or the expected reimbursement of obligation of the Acquirer or its group company.
- 4) Act of temporary control of the Group's management to bring about a disposal of high-value assets that have no current relevance to the Group's business such as real estates and securities, and declaring temporarily high dividends

from the profits of the disposal, or selling the shares at a high price taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends.

- (b) Certain Acquisitions that threaten to have the effect of virtually forcing shareholders into selling share certificates, such as coercive two-tiered tender offers (meaning acquisitions of shares by setting unfavorable acquisition terms for the second stage or acquisition of shares without making clear such terms in case acquisition of all shares in the initial acquisition cannot be made).
 - (c) Acquisition with terms (including the amount and type of consideration, the schedule, the legality of method, the feasibility, post-Acquisition management policies or business plans,) inadequate or inappropriate in light of the Group's intrinsic value.
 - (d) Acquisitions that materially threaten to harm the corporate value of the Group and the common interests of shareholders by destroying the relationship with employees of the Group, business partners etc., or the brand value of the Group which are indispensable to the continuous increase of the value of the Group,.
- (7) Outline of the Stock Acquisition Rights

The outline of the Stock Acquisition Rights is as follows.

(a) Number of Stock Acquisition Rights

The number of Stock Acquisition Rights to be allotted to shareholders shall be the same number as the final aggregate number of issued shares of the Company (excluding the number of shares of the Company held by the Company at that time) as of a certain date (the "Allotment Date") separately stipulated in the resolution relating to the gratis allotment of Stock Acquisition Rights (the "Gratis Allotment Resolution").

(b) Shareholders eligible for allotment

The Company shall make allotment of Stock Acquisition Rights to shareholders other than the Company, entered or recorded in the Company's final register of shareholders on the Allotment Date, at a ratio of one (1) Stock Acquisition Right per one (1) share of the Company held by such shareholders.

(c) Effective date of gratis allotment of Stock Acquisition Rights

Effective date of gratis allotment of Stock Acquisition Rights shall be the date separately determined by the Gratis Allotment Resolution.

(d) Number of shares to be acquired upon exercise of the Stock Acquisition Rights

The number of shares to be acquired upon exercise of the one (1) Stock Acquisition Right (the "Applicable Number of Shares") shall be one (1) share.

(e) The amount to be contributed upon exercise of the Stock Acquisition Rights

Purpose of contributions made upon exercise of the Stock Acquisition Rights shall be

cash. The amount per share to be contributed upon exercise of the Stock Acquisition Rights shall be an amount separately determined by Gratis Allotment Resolution within the range between lower limit of one (1) yen and higher limit equivalent to one-half (1/2) of the fair market value of one (1) share of the Company. The fair market value means the amount equivalent to the average closing price (including quotation) for regular transaction of the common stock of the Company on the Tokyo Stock Exchange on each day during the ninety (90) day period prior to the Gratis Allotment Resolution (excluding the days where trades are not made), with any fraction less than one yen after such calculation to be rounded up to the nearest whole yen.

(f) Exercise period of the Stock Acquisition Rights

The commencement day of the exercise period shall be separately determined by the Gratis Allotment Resolution (such commencement day shall be referred to as the “Exercise Period Commencement Date”) and the period shall be, in principle, within the period of one (1) to six (6) months as separately prescribed in the Gratis Allotment Resolution made by the Company’s Board of Directors; provided, however, that if the Company acquires the Stock Acquisition Rights in accordance with the provisions of paragraph (i) below, the exercise period for the Stock Acquisition Rights with respect to such acquisition shall end on the preceding business day of the acquisition date. Further, if the final day of the exercise period falls on a holiday of the payment handling place of the cash to be paid upon exercise, the preceding business day of such day shall be the final day.

(g) Conditions for the exercise of the Stock Acquisition Rights

(I) Specified Large Holder⁹, (II) Joint Holder of Specified Large Holder, (III) Specific Large Purchaser¹⁰, (IV) Person having a Special Relationship with Specific Large Purchaser or (V) any person who is transferee of or successor to the Stock Acquisition

⁹ “Specified Large Holder” shall mean, in principle, a person who is a holder of share certificates, etc. issued by the Company and holding ratio of share certificates, etc. is twenty percent (20%) or more (including any person considered to be a Specified Large Holder by the Company’s Board of Directors). However, a person that the Company’s Board of Directors recognizes as a person whose acquisition or holding of Share certificates, etc. of the Company is not contrary to the Company’s corporate value or the common interests of shareholders, and a person that the Company’s Board of Directors separately determined in Gratis Allotment Resolution are not included. The same applies hereinafter.

¹⁰ “Specific Large Purchaser” shall mean, in principle, a person who makes a public announcement of purchase, etc. (as defined in Paragraph 1 of Article 27-2 of the Financial Instruments and Exchange Act (the Law); the same applies hereinafter in this subparagraph) of Share certificates, etc. issued by the Company (as defined in Paragraph 1 of Article 27-2 of the law; the same applies hereinafter in this subparagraph) through tender offer and whose ratio of ownership of Share certificates, etc. in respect to such Share certificates, etc. owned by such person after such purchase, etc. (including similar ownership as prescribed in Paragraph (1) of Article 7 of the Order of the Enforcement of the Financial Instruments and Exchange Act) is 20% or more when combined with the ratio of ownership of Share certificates, etc. of a person having a Special Relationship (including any person considered to be a Specified Large Purchaser by the Company’s Board of Directors). However, a person that the Company’s Board of Directors recognizes as a person whose acquisition or holding of Share certificates, etc. of the Company is not contrary to the Company’s corporate value or the common interests of shareholders, and a person that the Company’s Board of Directors separately determined in Gratis Allotment Resolution are not included. The same applies hereinafter.

Rights, assigned or inherited Stock Acquisition Rights from any person falling under (I) through (IV) above without obtaining approval of the Company's Board of Directors, or, (VI) any affiliated person¹¹ falling under (I) through (V) (hereinafter, the person falling under (I) through (VI) above shall be referred to as "Non-qualified Person") may not exercise the Stock Acquisition Rights, in principle. Under the applicable foreign laws and ordinances, if a non-residence bound by a jurisdiction of such laws and ordinances where the person is required to perform certain procedures for exercising the Stock Acquisition Rights shall not exercise the Stock Acquisition Rights, in principle. (However, the Stock Acquisition Rights of said non-residence shall be acquired by the Company subject to following the applicable laws and ordinances by providing the Company's shares as consideration, as stated in item 2) of paragraph (i) below). Furthermore, any person who does not submit a covenant in the form of the Company's format which includes paragraphs of representation, warranty and so forth concerning conditions for execution of the Stock Acquisition Rights to be satisfied, etc..

(h) Transfers of the Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires approval of the Company's Board of Directors.

(i) Acquisition of the Stock Acquisition Rights by the Company

1) At any time before one day prior to the Exercise Period Commencement Date, if the Company's Board of Directors recognizes that it is appropriate for the Company to acquire the Stock Acquisition Rights separately, the Company may, on a date separately specified by the Company's Board of Directors, acquire all of the Stock Acquisition Rights without consideration in accordance with the Gratis Allotment Resolution.

2) On a day that falls on a date separately specified by the Company's Board of Directors, the Company may acquire all of the Stock Acquisition Rights (acquisition of part thereof may not be admitted) that have not been exercised one day prior to the date specified by the Company's Board of Directors, that are held by persons other than Non-qualified Persons and, in exchange, deliver shares of the Company in the number of the applicable number of shares for every one (1) Stock Acquisition Right.

Further, if, after the date upon which the aforesaid acquisition takes place, the Company's Board of Directors recognizes the existence of a person other than

¹¹ "Affiliated Person" of a given person shall mean a person controls, controlled by, or be under common control with such given person (including a person deemed by the Company's Board of Directors to fall under these), or a person deemed by the Company's Board of Directors to act in concert with such given person. "Control" means to "control the determination of the financial and business policies"(as defined in Paragraph 3 of Article 3 of the Enforcement Regulations of the Corporation Act) of other corporations or entities.

Non-qualified Person among persons who hold the Stock Acquisition Rights, the Company may, on a day falling on a date separately determined by the Company's Board of Directors after the date upon which the acquisition described above takes place, acquire all of the Stock Acquisition Rights held by that person that have not been exercised by or on one day prior to a date separately determined by the Company's Board of Directors and, in exchange, deliver shares of the Company in the number of the Applicable Number of Shares for every one (1) Stock Acquisition Right. The same will apply thereafter.

(j)Others

In addition to the aforesaid paragraphs, the details of the Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

(8) Effective period of the Plan and its abolition and amendment

The effective period of the Plan is three (3) years from the close of this Ordinary General Shareholders Meeting to the close of the Ordinary General Shareholders' Meeting for the fiscal year ending March 2014 (scheduled in June 2014). However, if, even before the expiration of the Effective Period, (i) a general meeting of shareholders of the Company passes a resolution to withdraw the assignment to the Board of Directors to decide matters regarding the gratis allotment of Stock Acquisition Rights relating to the Plan, or (ii) the Company's Board of Directors passes a resolution to abolish the Plan, the Plan shall be abolished at that time. The Company's Board of Directors may revise or amend the Plan during the Effective Period of the Plan, within the limits which does not against the intent of the assignment by the general meeting of shareholders above, upon obtaining approval of the Independent Committee.

If the Plan is abolished or amended, the Company's Board of Directors shall promptly disclose the details of such amendment and any other matters.

(9) Revision due to amendment of laws and ordinances

Any provisions of laws and ordinances referred to the Plan are subject to the provisions of any laws and ordinances effective as of May 18, 2011. If it becomes necessary after such date to amend the terms and conditions or definitions of terms set out in the aforesaid paragraphs due to the establishment, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the aforesaid paragraphs will be read accordingly to a reasonable extent, taking into consideration the purposes of such establishment, amendment or abolishment.

---End---

(Reference)

The contents of the Plan are as stated in 3. above, and the impact to our shareholders derived from amendment of the Plan and the gratis allotment of Stock Acquisition Rights, as well as the decision, its reason of the Board of Directors for the Plan are as follows.

1. The decision and its reason of the Board of Directors to the Plan

The Company's Board of Directors considers that the Plan complies with the basic policy, does not impair the common interests of its shareholders, and does not intend to maintain the position of directors and officers of the Company. The reasons hereof are as described in (1) through (6) below:

(1) Reflection of shareholders intent

The Plan will be renewed subject to the approval of shareholders at this Ordinary General Shareholders' Meeting. Furthermore, the effective period of the Plan is three (3) years till the close of the Ordinary General Shareholders' Meeting for fiscal year ending March 2014. Also, even before the expiration of the effective period of the Plan, the Plan shall be abolished if the resolution to rescind the assignment of the right to decide issues of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors is passed at the shareholders meeting. Thus, the life of the Plan rests on the intent of shareholders as a whole.

(2) Decisions of independent persons outside the Company

In the procedure of exercising the Plan, the Company will establish an Independent Committee as an organization that will eliminate arbitrary decisions by its directors and objectively carry out the decisions. The Independent Committee is composed of people who are (i) outside directors of the Company, (ii) outside auditor of the Company, and/or (iii) experienced company managers, persons who have professional knowledge on investment banking business, attorneys, certified public accountants, or academic researchers whose major area is the Corporation Act and other related business laws, and elected by the Board of Directors. Thus, the Independent Committee maintains its independence.

(3) Establishment of objective requirements to exercise the Plan

The Plan is established not to be exercised unless pre-defined and objective requirements have been satisfied, and these objective requirements match the conditions of the persons who are unqualified to determine financial and business policies of the Company set forth in the basic policy. This mechanism ensures a structure to eliminate arbitrary exercise by the Company's Board of Directors.

(4) Fully satisfying the requirements of the Guidelines for Takeover Defense Measures

The Company believes that the Plan fully satisfies the three (3) principles set out in the "Guidelines Regarding Takeover Defense for the Purposes of Ensuring and

Enhancing Corporate Value and Shareholders' Common Interests" (principle of ensuring and enhancing corporate value and shareholders' common interests; principle of prior disclosure and shareholders' intent; principle of ensuring the necessity and reasonableness) released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

- (5) Introduced for the purpose of ensuring and enhancing the corporate value and the common interests of its shareholders.

As described in the aforesaid article 3.(1) "Purpose of the Plan", the Plan, upon Acquisition of shares in the Company, shall be introduced for the purpose of securing time for the Company to conduct information collection, consideration and analysis with respect to the Acquisition, and enable to present plans and any alternative proposal of the Company's Board of Directors to its shareholders, or conducting negotiations with the Acquirers where it aims to ensure and enhance the corporate value and, in turn, the common interests of its shareholders.

- (6) No dead-hand or slow-hand takeover defense measures

As described in the aforesaid article 3.(8) "Effective period of the Plan and its abolition and amendment", the Plan is designed to be abolished by directors appointed by a person who acquires a large quantity of shares in the Company and elected at a general meeting of shareholders, and is not a dead-hand takeover defense measure (a takeover defense measure, exercise of which cannot be prevented even if a majority of the members of the Board of Directors are replaced). Also, as the Company does not adopt a system of staggered terms of office, the Plan is not a slow-hand takeover defense measure either (a takeover defense measure, which takes time to stop to prevent the exercise thereof due to the fact that the directors cannot be replaced all at once).

2. Impact on shareholders, investors and other stakeholders

- (1) Impact on shareholders, investors at the time of renewal of the Plan

At the time of its renewal, the Plan will have no direct specific impact on shareholders and investors. This is because at that time, by resolution of a general meeting of shareholders, only the assignment of authority to determine matters relating to the gratis allotment of Stock Acquisition Rights will take place and no actual gratis allotment of Stock Acquisition Rights will be implemented.

- (2) Impact on shareholders and investors at the time of the gratis allotment of Stock Acquisition Rights

When a resolution is made to implement the gratis allotment of Stock Acquisition Rights, the Rights are allotted to all registered shareholders of the Company as of the Allotment Date, at a ratio of one (1) Stock Acquisition Right per one (1) share held.

If the shareholders do not proceed with the payment for the allotment and the other procedures described in (b) of (3) below “Necessary procedures for shareholders upon the gratis allotment of Stock Acquisition Rights” within the rights exercise period, the shares they hold in the Company will be diluted by the exercise of Stock Acquisition Rights by other shareholders.

However, there may be possibilities that the Company will, in accordance with the procedures described in (c) of (3) below “Necessary procedures for shareholders upon the gratis allotment of Stock Acquisition Rights”, acquire the Stock Acquisition Rights of shareholders other than non-qualified ones and, in exchange, deliver shares in the Company. If the Company carries out such an acquisition procedure, all shareholders other than non-qualified shareholders will come to receive shares in the Company without exercising their Stock Acquisition Rights or paying an amount equivalent to the exercise price, and no dilution of the value of the aggregate shares in the Company they hold will result, although dilution of the value per share of shares in the Company they hold will result.

Even after the Allotment Date or after effecting the gratis allotment of Share Allotment Rights, for example, due to the withdrawal of the Acquisition by the Acquirer, the Company may cancel its gratis allotment of Stock Acquisition Rights on or before two days prior to ex-rights with respect to the gratis allotment of Stock Acquisition Rights, or acquire those Stock Acquisition Rights without distributing the shares in the Company to the persons who hold the Stock Acquisition Rights without consideration by one preceding day of the first day of exercise period thereof. In such case, no dilution of the value per share of shares in the Company will result. So investors who sell the shares by assuming the dilution of the value per share may suffer a certain loss due to the fluctuation of the stock price.

(3) Necessary procedures for shareholders upon the gratis allotment of Stock Acquisition Rights

(a) Procedures for the gratis allotment of Stock Acquisition Rights

If the resolution is made to implement the gratis allotment of Stock Acquisition Rights, the Company will first make public notice of the Allotment Date for the gratis allotment of Stock Acquisition Rights. In this case, as the Company will make a gratis allotment of Stock Acquisition Rights to the shareholders who are registered or recorded in the last register of shareholders as of the Allotment Date (the “Allotment Shareholders”).

In this connection, the Allotment Shareholders will become the holders of Stock Acquisition Right as a matter of course on the effective date of the gratis allotment of Stock Acquisition Rights, and thus it is unnecessary to take any entry procedures.

(b) Procedures for exercising the Stock Acquisition Rights

The Company will deliver, as a general rule, a form of submission to the Allotment Shareholders for exercising the Stock Acquisition Rights (in a form prescribed by the Company and containing necessary matters such as the terms and number of the Stock Acquisition Rights for exercise and the exercise date for the Stock Acquisition Rights, as well as representations and warranties regarding matters such as whether the shareholders themselves are not non-qualified persons, indemnity clauses and other pledges as well as necessary information of the Allotment Shareholders' banking account for wire transfer) and other documents necessary for the exercise of the Stock Acquisition Rights. After the gratis allotment of Stock Acquisition Rights, the shareholders will be issued one (1) share in the Company per one (1) Stock Acquisition Right upon submitting these necessary documents during the exercise period and before the acquisition of Stock Acquisition Right by the Company come into effect, and as a general rule, by paying with designated method the price determined by the Gratis Allotment Resolution, which will be an amount within a range of one (1) yen as a minimum and 50% of the fair market value per stock of the Company as a maximum.

(c) Procedures for the acquisition of the Stock Acquisition Rights by the Company

If the Company's Board of Directors determines to acquire the Stock Acquisition Rights, the Company will acquire the Stock Acquisition Rights in accordance with the statutory procedures, on the day that falls on the date separately determined by the Company's Board of Directors. When the Company is to deliver shares in the Company to shareholders in exchange for the acquisition of Stock Acquisition Rights, it shall do so promptly. Further, in such case, the shareholders concerned will be separately requested to submit, in a form prescribed by the Company, representations and warranties regarding matters such as the fact that they are not Non-qualified persons, indemnity clauses and other pledges.

In addition to the above, the Company will disclose information or notify all of its shareholders with respect to the particulars of the allotment method of the Stock Acquisition Rights, exercise method and method for acquisition of the Stock Acquisition Rights by the Company after any resolution in relation to a gratis allotment of Stock Acquisition Rights, so we request that shareholders check these details at that time.

---End---

[Translation : For reference only]

Attachment 1

Names and Career Summary of Members of the Independent Committee

Initial members of the Independent Committee at the time of amendment of the Plan will be the following three (3) members: there is no special conflict of interest between each member and the Company.

Yukio Yanagida

April 1960 Attorney Registration
April 1972 Representative of Yanagida International Law Firm (present)
April 1988 Executive Governor of Japan Federation of Bar Association
January 1991 Visiting Professor at Harvard Law School, U.S.A.
June 2003 Outside Director of YKK Corporation (present)
November 2010 Director of Waseda University

Makoto Yasuda

May 1987 Representative Chairman of Elders and Yasuda
July 1990 Representative President of Yasuda & PAMA Ltd.
 (currently : Yasuda Makoto Office Co., Ltd.) (present)
June 2006 Director of Yamatake Co., Ltd.(present)
June 2007 Outside Director of Kanematsu Textile Corp. (present)

Nobuyuki Ishiwata

April 1975 Certified Public Accountant Registration
January 1976 Certified Tax Accountant Registration
April 1988 Partner of Seishin Audit Corporation (present)
August 1999 Outside Auditor of Adeco Co., Ltd. (present)
July 2003 Partner of Seishin Tax Audit Corporation(present)

---End---

Attachment 2

Acquisition Information

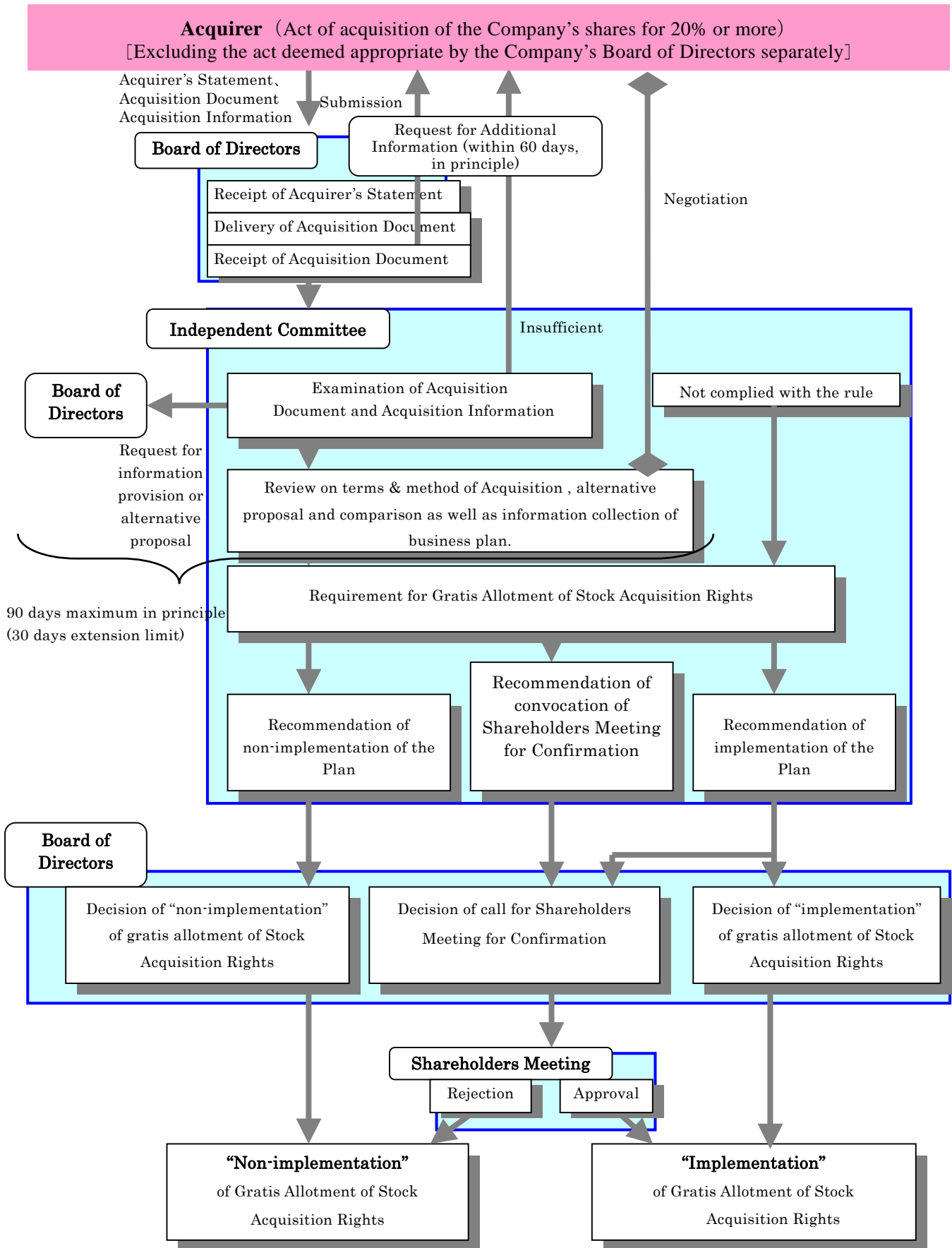
- (1) Details of the Acquirer and its group companies thereof (including Joint holders, Person having a Special Relationship¹² and Person having a Special Relationship with the Acquirer as controlled judicial person¹³ as well as members or any other constituents (in case of fund), (including specific name, capital composition, composition of finance, management policy (including the fact in past if there was an illegal commitment or anything pointed out by governmental agency concerning legal compliance), details of past transaction of the same kind as the Acquisition by the Acquirer, and the result thereof).
- (2) Purpose, method and contents of the Acquisition (including amount and type of consideration for the Acquisition, time of the Acquisition, scheme of related transaction, legality of method for Acquisition, feasibility of the Acquisition, etc.)
- (3) Grounds for computation of acquisition price (including prerequisite fact of the Acquisition, method of computation, information on figures used for, etc.)
- (4) Corroboration of Acquisition fund (including specific name of offerer of the Acquisition fund (including substantial offerer), method of fund-raising and contents of related transaction).
- (5) Any information the Acquirer's past acquisition of Share certificate, etc. of the Company, and any mutual agreement between the Acquirer and the third party regarding Share certificate, etc. of the Company (including the date of entering into, the name of the other party and its concrete contents)
- (6) Management policy, business plan, capital policy and dividend policy intended by the Acquirer after completion of Acquisition.
- (7) Basic policy applicable to employees, business partners, creditors of the Company Group or any other parties concerned in the Company after the Acquisition.
- (8) Regulatory matters under any domestic or foreign laws applied to acquisition offer, possibility of obtaining any approval or permit which should be obtained from local or foreign government or any third party under competition law or any other laws.
- (9) Any other information which the Independent Committee decides necessary.

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¹² "Person having a Special Relationship" is defined in Paragraph 5 of Article 27-23 of the Law including a deemed person stipulated in Paragraph 6 of the same Article (including a person whom the Board of Directors would consider to include). The same is applied throughout this proposal.

¹³ "Controlled judicial person" is defined in Paragraph 5 of Article 9 of Order for Enforcement of the Financial Instruments and Exchange Act.

Mapping diagram concerning Large Acquisitions of Company Shares (Outline)



(Note) Above mapping diagram is made for convenience of understanding of the Plan.

See body of the document for details.