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To Whom It May Concern:

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Stock Code: 2779
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Introduction of Countermeasures to Large-Scale Acquisitions of Mitsukoshi Shares (Takeover Defense Measures)

Mitsukoshi, Ltd., (the “Company”) today announced at a meeting of its Board of Directors on February 15, 2007, that the Company’s Board of Directors decided to introduce a plan for countermeasures to large-scale acquisitions of the shares in the Company (takeover defense measures) (the “Plan”), as set forth below, for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders. The Plan will be subject to shareholders’ approval at the Ordinary General Meeting of Shareholders for the fourth fiscal year of the Company (the “Ordinary General Meeting of Shareholders”).

1. Plan Outline

The outline of the Plan is as follows (for further details, see below at section 2, ‘Purpose for Introducing the Plan’).

1.1 Purpose

The aim of the Plan is to ensure and enhance the corporate value of the Company and the common interests of its shareholders by ensuring that all shareholders have the necessary and adequate information and time to make proper decisions in the case of large-scale acquisitions of the shares in the Company, and by securing the opportunity to negotiate with the acquirer or similar actions.

1.2 Establishment of Procedures

The Plan sets out procedures necessary to achieve the purpose stated in 1.1 above, including requirements for acquirers to provide information in advance in the case that an acquirer intending to make an acquisition of 20% or more of the Company’s share certificates, etc. emerges (for

Translation Note: This English translation has been prepared for general reference purposes. The Company is not responsible for any consequences resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text of the press release dated February 15, 2007.

further details, see section 3.1, 'Procedures for Triggering the Plan' below).

1.3 Triggering of the Plan by Gratis Allotment of Stock Acquisition Rights

In the event that an acquirer conducts an acquisition of the Company's share certificates etc. without following the procedures set out in the Plan, or threatens to cause obvious harm to the corporate value of the Company and the common interests of its shareholders (see section 3.2 below, 'Requirements for the Gratis Allotment of Stock Acquisition Rights,' for details of these requirements), the Company will allot stock acquisition rights with (a) an exercise condition that does not allow the acquirer, etc. to exercise the rights and (b) an acquisition provision to the effect that the Company may acquire the stock acquisition rights in exchange for the Company's shares, etc. from persons other than the acquirer, etc. (see section 3.3 below, 'Outline of the Gratis Allotment of Stock Acquisition Rights,' for the outline of these stock acquisition rights; the "Stock Acquisition Rights"), by means of a gratis allotment of stock acquisition rights (*shinkabu yoyakuken mushou wariate*) to all shareholders, except the Company, at that time.

If a gratis allotment of Stock Acquisition Rights were to take place in accordance with the Plan and all shareholders other than the acquirer receive the Company's shares as a result of those shareholders exercising, or the Company acquiring, those Stock Acquisition Rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to a maximum of 50%.

1.4 Use of the Independent Committee

To eliminate arbitrary decisions by directors, decisions with respect to the matters such as the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights or the acquisition of Stock Acquisition Rights under the Plan will be made through the objective judgment of an Independent Committee (see section 3.5 below, 'Establishment of the Independent Committee,' for details; the "Independent Committee") which will be composed of highly independent members such as outside directors of the Company, and transparency with respect to those decisions will be ensured by timely disclosure to the Company's shareholders.

2. Purpose for Introducing the Plan

2.1 The Company's Efforts to Ensure and Enhance the Corporate Value and the Common Interests of Shareholders

The Company originated in 1673 from a kimono store called Echigo-ya, opened at Edo Honmachi 1-chome (now Nihonbashi). Abiding by Mitsukoshi's three management philosophies of "contribution to society and prosperity of the company," "innovation beyond tradition" and "sincerity and creativity," the Company has continued a fundamental management course as a department store in Nihonbashi and other major urban centers that places customers first by comprehensively meeting their diverse needs and by striving to enhance corporate value.

Since its establishment, the source of Mitsukoshi's corporate value has been the brand recognition of "Mitsukoshi" it has built over its many years of business activities. This brand value has been sustained and cultivated by building an ongoing relationship of trust between our shareholders, customers, employees, business partners and the societies in which we operate.

The Company's focus through to fiscal 2006 was to build foundations for new business development by expanding specialist store operations, while implementing radical operational reforms and strengthening finances by closing unprofitable stores. We also bolstered business efficiency through such measures as liquidating or disposing of underperforming affiliates and constricting interest-bearing debt. Since fiscal 2007, we have initiated the "Mitsukoshi Brand Renaissance Six-Year Plan," a medium- to long-term management directive to further boost Mitsukoshi brand value. The plans specific targets are as follows.

- (i) To increase the numbers of dedicated Mitsukoshi customers by clarifying our target market of adults pursuing a better quality of life and by providing appropriate product lineups, stores and services, as we strive to bolster brand value;
- (ii) To boost profitability by through merchandise policies centered on priority outlets and the implementation of cost reductions;
- (iii) To gain a competitive advantage by defining the roles of stores depending on region and scale;
- (iv) To make deeper inroads into non-department-store operations, such as the expansion of customer and sales routes through the Internet and magazines, and the establishment of developer operations business models;
- (v) To provide superior services for customers by cultivating professional human resources and building a corporate climate that enables employees to rise to challenges.

(For details, please refer today's press release, "Mitsukoshi Brand Renaissance Six-Year Plan.")

We aim to maximize our corporate value and, in turn, the common interests of shareholders by enhancing Mitsukoshi's brand value through endeavors based on this medium- to long-term management plan.

2.2 Measures to Reinforce Corporate Governance

The Company is undertaking measures to reinforce corporate governance as an indispensable part of its drive to raise corporate value and ensure the common interests of shareholders. Mitsukoshi elects three independent outside directors and two independent outside auditors. To clarify the responsibilities of management to shareholders, the tenure of directors is one year, and we have established a Nominations Committee and a Compensation Committee as arbitrary bodies, chaired by outside directors, to provide advice and recommendations on appointments, dismissals and treatment of directors. In addition, the Company has introduced an Directors and Officer

Assessment System to make objective assessments on the accountability of officers and qualification of management, in addition to raising management transparency. We have also introduced an Directors and Officers' Remuneration System linked to performance of each of officers and directors.

As outlined above, the Company strives to ensure and enhance the corporate value of the Company and, in turn, the common interests of shareholders through reinforced corporate governance.

2.3 Necessity of Introducing the Plan

The Plan will be introduced for the purpose of ensuring and enhancing the corporate value of the Company and the common interest of shareholders as set out below.

Recent developments such as the introduction of new legal systems and changes of corporate structure as well as corporate culture have attributed to the emergence of a trend towards unilateral and forceful acquisitions of large numbers of shares without obtaining the approval of the management of the target companies.

The Company would not necessarily reject a large-scale acquisition if it would contribute to the corporate value and the common interests of the shareholders. The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a transfer of corporate control.

Nonetheless, there are some forms of corporate acquisition that benefit neither the corporate value of the target company nor the common interests of its shareholders; those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders; those with the potential to substantially coerce shareholders into selling their shares; those that do not provide sufficient time or information for the target company's Board of Directors and shareholders to consider the large-scale acquisition or similar action, or for the target company's Board of Directors to make an alternative proposal; and those that require the target company to negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

In particular, as mentioned above, the corporate value of the Company derives from its brand value. Accordingly, it is vital to improve brand value to enhance corporate value. Of course, an acquirer making an acquisition proposal for the shares in the Company appreciates the Company's business environment and fully understand that corporate value derives from brand value. Failing to ensure and enhance its brand value in the medium- to long-term is detrimental to corporate value and the common interests of shareholders.

Taking into account these circumstances, the Company's Board of Directors has decided that, for occasions when it receives an acquisition proposal for the shares in the Company from an acquirer, it is necessary to introduce a mechanism that ensures necessary time and information for the

shareholders to decide whether or not to accept such proposal or enables the Company's Board of Directors to present an alternative proposal to the shareholders, and for the Board of Directors to negotiate for the benefit of the shareholders, and thus deters acquisitions that are detrimental to the corporate value of the Company and the common interests of its shareholders.

For the reasons above, the Company's Board of Directors has decided to introduce the Plan, conditional upon receiving the approval of shareholders at the Ordinary General Meeting of Shareholders. For your information, the principal shareholders of the Company as of August 31, 2006 are shown in Attachment entitled "Principal Shareholders of the Company." The Company has not received any particular proposal of acquisition at the moment.

3. Plan Details

3.1 Procedures for the Triggering of the Plan

(a) Targeted Acquisitions

The Plan will apply in cases where there is an acquisition of share certificates, etc. of the Company or any similar action, or a proposal for such action (the "Acquisition"), that falls under (i) or (ii) below. The party effecting the Acquisition (the "Acquirer") shall follow the procedures set out in the Plan.

- (i) An acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariai*)¹ of a holder (*hoyuusha*)² amounting to 20% or more of the share certificates, etc. (*kabuken tou*)³, issued by the Company; or
- (ii) A tender offer (*koukai kaitsuke*)⁴ that would result in the owning ratio of share certificates, etc. (*kabuken tou shoyuu wariai*)⁵ of share certificates, etc. (*kabuken tou*)⁶ relating to the tender offer and the owning ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankeisha*)⁷ totaling at least 20% of the share certificates, etc.,

¹ Defined in Article 27-23(4) of the Securities and Exchange Law of Japan. This definition is applied throughout this document.

² Including persons described as a holder under Article 27-23(3) of the Securities and Exchange Law of Japan (including persons who are deemed to fall under the above by the Board of Directors of the Company). The same is applied throughout this document.

³ Defined in Article 27-23(1) of the Securities and Exchange Law of Japan. Unless otherwise provided for in this document, the same is applied throughout this document.

⁴ Defined in Article 27-2(6) of the Securities and Exchange Law of Japan. The same is applied throughout this document.

⁵ Defined in Article 27-2(8) of the Securities and Exchange Law of Japan. The same is applied throughout this document.

⁶ Defined in Article 27-2(1) of the Securities and Exchange Law of Japan. The same is applied in 3.1 (a)(ii).

⁷ Defined in Article 27-2(7) of the Securities and Exchange Law of Japan (including persons who are deemed to fall under the above by the Board of Directors of the Company); provided, however, that persons provided for in Article 3(2) of the Cabinet Office Regulations concerning Disclosure of a Tender Offer by an Acquirer other than

issued by the Company.

(b) Request to the Acquirer for the Provision of Information

Unless otherwise approved by the Company's Board of Directors, the Company will require any Acquirer conducting an Acquisition is required to submit to the Company in a form prescribed by the Company, before the implementation of the Acquisition, a document which includes the information as described in each of the items below (the "Essential Information") and a written undertaking that the Acquirer will upon the Acquisition comply with the procedures set out in the Plan (the "Acquisition Document").

Upon receipt of an Acquisition Document, the Board of Directors will present said document to the Independent Committee immediately. If the Independent Committee determines that the Acquisition Document does not contain sufficient Essential Information, it may set a reply period (up to 60 days as a general rule) and request that the Acquirer additionally provide information. In such case, the Acquirer should additionally provide such information within the relevant time limit.

- (i) Details (specifically including name, capital structure, financial position, details and results of past transactions of the similar type as the acquisition by the Acquirer and influence on the corporate value of the target enterprise) of the Acquirer and its group (including joint holders⁸, persons having a special relationship and, in the case of funds, each partner and other constituent members);
- (ii) The purpose, method and terms of the Acquisition (including the price and type of the consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and information relating to the possibility that the Acquisition will be closed);
- (iii) The basis for the calculation of the purchase price of the Acquisitions (including the underlying facts and assumptions of the calculation, the calculation method, the numerical data used in the calculation, the details of any expected synergies from any series of transactions relating to the Acquisition including the details of such synergies to be shared with minority shareholders, and the basis for the calculation of such synergies).
- (iv) Financial support for the Acquisition (specifically including the name of the funds providers (including all indirect funds providers), financing methods and the terms of any related transactions).

the Issuing Company are excluded from the persons described in Article 27-2(7)(i) of the Securities and Exchange Law of Japan. The same is applied throughout this document.

⁸ "Joint holders" are as defined in Article 27-23(5) of the Securities and Exchange Law of Japan, including persons regarded as a joint holder under Article 27-23(6) of the Securities and Exchange Law of Japan (including persons who are deemed to fall under the above by the Company's Board of Directors). The same is applied throughout this document.

- (v) Post-Acquisition management policy, business plan, capital and dividend policies for the Company group.
- (vi) Post-Acquisition policies dealing with the Company's employees, business partners, customers, and any other stakeholders in the Company.
- (vii) Specific measures to avoid any conflict of interests with other shareholders of the Company.
- (viii) Any other information that the Independent Committee reasonably considers necessary.

If the Independent Committee recognizes that an Acquirer has initiated an Acquisition without complying with the procedures set out in the Plan, as a general rule, it will recommend the Company's Board of Directors to implement a gratis allotment of Stock Acquisition Rights in accordance with 3.1(d)(i) below, except in particular circumstances where it should continue with its requests for the submission of an Acquisition Document and the Essential Information, and its discussion and negotiation with the Acquirer.

(c) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal

(i) Request to the Company's Board of Directors for the Provision of Information

If the Acquirer submits the Acquisition Document, any other Essential Information, or any additional information that the Independent Committee requests (if any), the Independent Committee may set a reply period (up to 60 days as a general rule) and request that the Company's Board of Directors present an opinion (including qualified opinions; hereinafter the same) on the Acquirer's Acquisition terms, the materials supporting such opinion, an alternative proposal (if any), and any other information that the Independent Committee considers necessary, in order to compare the details of the Acquisition Document and the Essential Information to the management plan of the Company's Board of Directors and the company valuation conducted by the Company's Board of Directors for the purpose of ensuring and enhancing the Company's corporate value and the common interests of its shareholders.

(ii) Independent Committee Consideration

The Independent Committee should conduct its consideration of the Acquisition terms, collection of information on the materials such as the management plans and business plans of the Acquirer and the Company's Board of Directors and comparison thereof, and consideration of any alternative plan presented by the Company's Board of Directors, and the like for a period of time that does not exceed 60 days after, as a general rule, the date upon which the Independent Committee receives the information from the Acquirer and (if the Independent Committee requests the Company's Board of Directors to provide information as set out above)

the Company's Board of Directors (provided, however, that in the case described below in 3.1(d)(iii) or the like, the Independent Committee may extend this period (the "Independent Committee Consideration Period")). Further, if it is necessary in order 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 discuss and negotiate with the Acquirer, or present to shareholders the alternative proposal presented by the Company's Board of Directors, or conduct any similar action.

If the Independent Committee directly or indirectly requests the Acquirer to provide materials for consideration or any other information, or to discuss and negotiate with the Independent Committee, the Acquirer must promptly respond to such request. Further, acquisition or other procedures falling under (a)(i) or (a)(ii) above may not commence until the end of the Independent Committee Consideration Period. To ensure that the Independent Committee's decision contributes to the Company's corporate value and the common interests of its shareholders, the Independent Committee may at the cost of the Company obtain advice from independent third parties (including financial advisors, certified public accountants, attorneys, consultants or any other experts).

(iii) Disclosure of Information

With compliance to the regulations on timely disclosure and at time the Independent Committee considers appropriate, the Company will disclose the existence of an Acquirer, the fact that it has received an Acquisition Document from the Acquirer, the fact that the Independent Committee Consideration Period has commenced, the fact that the Board of Directors has presented an alternative proposal to the Independent Committee, and any matters considered appropriate by the Independent Committee out of the Essential Information or other information.

(d) Recommendation by the Independent Committee

If an Acquirer emerges, the Independent Committee will make recommendations to the Company's Board of Directors as follows. If the Independent Committee makes recommendations or otherwise as listed (i) through (iii) below to the Company's Board of Directors, or otherwise believes it to be appropriate, the Independent Committee will promptly disclose an outline of its recommendations and any other matters that the Independent Committee considers appropriate (in the case of extending the Independent Committee Consideration Period, including the period of and reason for such extension).

(i) Recommendations for the Triggering of the Plan

If the Acquirer fails to comply with the procedures set out in the Plan, or if as a result of the consideration of the terms of the Acquisition or the like, the Independent Committee determines that the Acquisition by the Acquirer meets any of the requirements set out below in 3.2, 'Requirements for the Gratis Allotment of Stock Acquisition Rights' and that the implementation of the gratis allotment of Stock Acquisition Rights is reasonable, the Independent Committee will recommend the implementation of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors, regardless of whether the Independent Committee Consideration Period has commenced or ended.

However, even after the Independent Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Independent Committee determines that either of the events below applies, it may make a new recommendation up to the date immediately prior to the commencement date (as defined in (f) of 3.3 'Outline of the Gratis Allotment of Stock Acquisition Rights' below) of the exercise period of Stock Acquisition Rights that (before the gratis allotment has taken effect) the Company should suspend the gratis allotment of Stock Acquisition Rights or that (after the gratis allotment has taken effect) the Company should acquire the Stock Acquisition Rights without consideration.

- (A) The Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.
- (B) There is a change in the facts or otherwise upon which the recommendation decision was made, and the Acquisition by the Acquirer does not meet any of the requirements set out below in 3.2, 'Requirements for the Gratis Allotment of Stock Acquisition Rights,' or it is not reasonable to implement the gratis allotment or allow shareholders to exercise the Stock Acquisition Rights even if the Acquisition by the Acquirer does meet one of the requirements under 3.2 below.

(ii) Recommendations for the Non-Triggering of the Plan

If as a result of its consideration of the terms of the Acquirer's Acquisition and discussion, negotiation or the like with the Acquirer, the Independent Committee determines that the Acquisition by the Acquirer does not meet any of the requirements set out below at 3.2, 'Requirements for the Gratis Allotment of Stock Acquisition Rights,' or that the implementation of the gratis allotment of Stock Acquisition Rights is not reasonable even if the Acquisition by the Acquirer does meet one of the requirements set out in 3.2 below, the Independent Committee will recommend the non-implementation of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors, regardless of whether the Independent Committee Consideration Period has ended.

However, even after the Independent Committee has already made one recommendation for the non-implementation of the gratis allotment of Stock Acquisition Rights, if there is a change in the facts or otherwise upon which the recommendation decision was made and the situation has come to satisfy the requirements set out in (i) above, the Independent Committee may reconsider to incorporate new recommendations that the Company should implement the gratis allotment of Stock Acquisition Rights and may make new recommendations to the Board of Directors.

(iii) Extension of the Independent Committee Consideration Period

If the Independent Committee does not reach a recommendation for either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights by the expiry of the initial Independent Committee Consideration Period, the Independent Committee will, to the reasonable extent that it is considered necessary for actions such as consideration of the terms of the Acquirer's Acquisition, negotiation with the Acquirer and the consideration of an alternative proposal, pass a resolution to extend the Independent Committee Consideration Period (and any extension of the new period after a period has been extended will follow the same procedure).

If the Independent Committee Consideration Period is extended as a result of the resolution described above, the Independent Committee will continue with its information collection, consideration process and like activities, and use best efforts to make a recommendation for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights within the extended period.

(e) Resolutions of the Board of Directors

The Company's Board of Directors, in exercising its role under the Corporation Law, will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights respecting any recommendation of the Independent Committee described above to the maximum extent. After the Company's Board of Directors passes abovementioned resolution, the Company will promptly disclose an outline of its resolution, and any other matters that the Company's Board of Directors considers appropriate. The Acquirer must not effect an Acquisition until and unless the Company's Board of Directors passes a resolution for the non-implementation of the gratis allotment of Stock Acquisition Rights.

3.2 Requirements for the Gratis Allotment of Stock Acquisition Rights

The Company intends to implement the gratis allotment of Stock Acquisition Rights by a resolution of the Company's Board of Directors as described above in (e) of 3.1, 'Procedures for Triggering the Plan,' if it is considered that an action of an Acquirer falls under any of the items

below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights. However, the Company's Board of Directors will without fail make its determination as to whether an action of an Acquirer falls under a requirement below and if it is reasonable or not to implement the gratis allotment of Stock Acquisition Rights through the recommendation of the Independent Committee in accordance with (d) of section 3.1 above, 'Procedures for Triggering the Plan.'

- (a) An Acquisition that is not in compliance with the provision of information stipulated in (b) of section 3.1 above, "Procedures for Triggering the Plan" above, securement of the Independent Committee Consideration Period, or other procedures prescribed in the Plan.
- (b) An Acquisition that threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through actions including any of the following:
 - (i) A buyout of share certificates, etc. to require such share certificates, etc. to be compulsorily purchased by the Company at an inflated price.
 - (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company's management for the low-cost acquisition of the Company's material assets.
 - (iii) Diversion of the Company's assets to secure or repay debts of the Acquirer or its group company.
 - (iv) Temporary control of the Company's management to bring about a disposal of high-value assets that have no current relevance to the Company's business 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.
- (c) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers that do not offer to acquire all shares in the initial acquisition, and set acquisition terms for the second stage that are unfavorable or do not set clear terms for the second stage).
- (d) Acquisitions that do not provide the Company's Board of Directors with the period of time reasonably necessary to produce an alternative proposal to the Acquisition.
- (e) Acquisitions in which the Essential Information or any other information considered reasonably necessary to assess the Acquisition terms is not provided to Company's shareholders, or the provision of such information (if any) is inadequate.
- (f) Acquisitions whose terms (including amount and type of consideration for the Acquisition, the Acquisition schedule, the legality of the Acquisition method, the possibility of the Acquisition being affected, post-Acquisition management policies and business plans, and

post-Acquisition policies dealing with the Company's other shareholders, employees, customers, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's intrinsic value.

- (g) Acquisitions that materially threaten to be against the corporate value of the Company and, in turn, the common interests of shareholders, by destroying relationships with the Company's employees, customers and business partners or corporate brand value, which are indispensable to the generation of the Company's corporate value.

3.3 Outline of the Gratis Allotment of Stock Acquisition Rights

An outline of the gratis allotment of Stock Acquisition Rights scheduled to be implemented under the Plan is described as follows.

(a) Number of Stock Acquisition Rights

The Company will implement a gratis allotment of Stock Acquisition Rights in the same number as the final and total number of issued and outstanding shares in the Company (excluding the number of shares in the Company held by the Company at that time) on a certain date (the "Allotment Date") that is separately determined by the Company's Board of Directors in a resolution relating to the gratis allotment of Stock Acquisition Rights ("Gratis Allotment Resolution").

(b) Shareholders Eligible for Allotment

The Company will allot the Stock Acquisition Rights to those shareholders, other than the Company, who appear or are recorded in the Company's final register of shareholders or register of beneficial shareholders on the Allotment Date, at a ratio of one Stock Acquisition Right for every one share of the Company held.

(c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The Company's Board of Directors will separately determine the effective date of the gratis allotment of Stock Acquisition Rights in the Gratis Allotment Resolution.

(d) Number of Shares to be Acquired upon Exercise of the Stock Acquisition Rights

The number of shares in the Company⁹ to be acquired upon exercise of each Stock Acquisition Right (the "Applicable Number of Shares") shall, in principle, be one share.

⁹ In future, even if the Company becomes a classified stock issuing company (the Corporate Law Article 2-13), both (1) Company stock issued upon exercise of the stock acquisition rights and (2) stock delivered in exchange of acquisition of the stock acquisition rights refer to the same classified stock as actual issued stock (common stock) at the Ordinary General Meeting of Shareholders.

(e) The Amount of Properties to be Contributed upon Exercise of the Stock Acquisition Rights
Contributions upon exercise of the Stock Acquisition Rights are to be in cash, and the amount of properties per share of the Company to be contributed upon exercise of the Stock Acquisition Rights will be an amount separately determined by the Company's Board of Directors in the Gratis Allotment Resolution within the range between a minimum of one yen and a maximum of any amount equivalent to one-half of the fair market value of one share of the Company. "Fair market value" means an amount equivalent to the average closing price (including quotations) for regular transactions of the common stock of the Company on the Tokyo Stock Exchange on each day during the 90-day period prior to the Gratis Allotment Resolution (excluding the days on which trades are not made), with any fraction of a yen after such calculation to be rounded up to the nearest whole yen.

(f) Exercise Period of the Stock Acquisition Rights

The commencement date will be a date separately determined by the Company's Board of Directors in the Gratis Allotment Resolution (this commencement date of the exercise period shall be referred to as the "Exercise Period Commencement Date"), and the period will be a period from one month to three months long as separately determined by the Company's Board of Directors in the Gratis Allotment Resolution; provided, however, that if the Company acquires the Stock Acquisition Rights pursuant to the provisions of paragraph (i)(ii) below, the exercise period for the Stock Acquisition Rights with respect to that acquisition will be up to and including the business day immediately prior to the relevant acquisition date. Further, if the final day of the exercise period falls on a holiday for the payment place for the cash payable upon exercise, the final day will be the preceding business day.

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

As a general rule, the following parties may not exercise the Stock Acquisition Rights (the parties falling under (I) through (VI) below shall collectively be referred to as "Non-Qualified Parties"):

- (I) Specified Large Holders¹⁰;
- (II) Joint Holders of Specified Large Holders;
- (III) Specified Large Purchasers¹¹;

¹⁰ "Specified Large Holder" means, in principle, a party who is a holder of share certificates, etc., issued by the Company and whose holding ratio of share certificates, etc., in respect of such share certificates, etc., is at least 20% (including any party who is deemed to fall under the above by the Company's Board of Directors). Provided, however, that a party that the Company's Board of Directors recognizes as a party 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 or certain other party that the Board of Directors determines in the Gratis Allotment Resolution is not a Specified Large Holder. The same is applied throughout this document.

- (IV) Persons having a Special Relationship with Specified Large Purchasers;
- (V) Any transferee of or successor to the Stock Acquisition Rights of any party falling under (I) through (IV) without the approval of the Company's Board of Directors;
or
- (VI) Any Affiliated Party¹² of any party falling under (I) through (V). Further, nonresidents of Japan who are required to follow certain procedures under foreign laws and regulations to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (provided, however, that certain nonresidents such as those who may use any exemption provision under applicable laws and ordinances in its relevant foreign country will be able to exercise the Stock Acquisition Rights, and the Stock Acquisition Rights held by nonresidents will be subject to acquisition by the Company in exchange for shares, etc. of the Company as set out in (i)(ii) below.).

(h) Assignment of the Stock Acquisition Rights

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

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

- (i) At any time on or before the date immediately 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, the Company may, on a day that falls on a date separately determined by the Company's Board of Directors, acquire all of the Stock Acquisition Rights without consideration.
- (ii) On a day that falls on a date separately determined by the Company's Board of

¹¹ "Specified Large Purchaser" means, in principle, a person who makes a public announcement of purchase, etc., (as defined in Article 27-2(1) of the Securities and Exchange Law; the same is applied throughout this Note 11) of share certificates, etc., (as defined in Article 27-2(1) of the Securities and Exchange Law; the same is applied throughout this Note 11) issued by the Company through a tender offer and whose ratio of ownership of share certificates, etc., in respect of such share certificates, etc., owned by such person after such purchase, etc., (including similar ownership as prescribed in Article 7(1) of the Order of the Enforcement of the Securities and Exchange Law) is at least 20% when combined with the ratio of ownership of share certificates, etc., of a person having a special relationship (including any party who is deemed to fall under the above by the Company's Board of Directors). Provided, however, that a party that the Company's Board of Directors recognizes as a party 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 or certain other party that the Company's Board of Directors determines in the Gratis Allotment Resolution is not a Specified Large Purchaser. This is applied throughout this document.

¹² An "Affiliated Party" of a given party means a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Company's Board of Directors), or a party deemed by the Company's Board of Directors to act in concert with such given party. "Control" means to "control the determination of the financial and business policies" (as defined in Article 3(3) of the Enforcement Regulations of the Corporation Law) of other corporations or entities.

Directors, the Company may acquire all of the Stock Acquisition Rights that have not been exercised before or on the day immediately prior to such date determined by the Company's Board of Directors, that are held by parties other than Non-Qualified Parties and, in exchange, deliver shares of the Company in the number equivalent to the number of the Applicable Number of Shares for every one Stock Acquisition Right.

Further, if, on or after the date upon which the acquisition takes place, the Company's Board of Directors recognizes the existence of any party holding Stock Acquisition Rights other than Non-Qualified Parties, the Company may, on a day falling on a date 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 party that have not been exercised by or on the business day immediately prior to such date determined by the Company's Board of Directors (if any) and, in exchange, deliver shares of the Company in the number equivalent to the number of the Applicable Number of Shares for every one Stock Acquisition Right. The same will apply thereafter.

- (j) Delivery of the Stock Acquisition Rights in the Case of Merger, Absorption-type Demerger (*kyushu bunkatsu*), Incorporation-type Demerger (*shinsetsu bunkatsu*), Share Exchange (*kabushiki koukan*), and Share Transfer (*kabushiki iten*)

The Company's Board of Directors shall separately determine these matters in the Gratis Allotment Resolution.

- (k) Issuance of certificates representing the Stock Acquisition Rights

Certificates representing the Stock Acquisition Rights will not be issued.

- (l) Revision due to amendment to laws and ordinances

The provisions of laws and ordinances referred to above are subject to the prevailing provisions as of February 15, 2007. If it becomes necessary after such date to amend the terms and conditions or definitions of terms set out in the paragraphs above due to the formulation, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the paragraphs above shall be read accordingly as required to a reasonable extent, taking into consideration the purposes of such formulation, amendment or abolishment.

3.4 Procedures for the Introduction of the Plan

The introduction of the Plan will be as follows, subject to receiving the approval of shareholders at

the Ordinary General Meeting of Shareholders:

- (a) In accordance with the proviso of Article 278(3) of the Corporation Law, proposed amendments to the Company's Articles of Incorporation, including the incorporation of the provision stated below in Article 14 therein, are scheduled to be submitted to the Ordinary General Meeting of Shareholders for its resolution. "The Company shall determine matters relating to the gratis allotment of Stock Acquisition Rights by a resolution of the Board of Directors, as well as by a resolution of the general meeting of shareholders, or by a resolution of the Board of Directors upon the assignment by a resolution of the general meeting of shareholders."

- (b) Under the provision of Article 14 of the Company's Articles of Incorporation after the amendment in accordance with (a) above, shareholders will be requested to assign to the Company's Board of Directors the authority to determine matters pertaining to the gratis allotment of Stock Acquisition Rights in accordance with the terms and conditions set out in the Plan by means of a resolution of the Ordinary General Meeting of Shareholders.

3.5 Establishment of the Independent Committee

Upon introducing the Plan, the Company will establish the Independent Committee as an organization that will eliminate arbitrary decisions by its directors and objectively carry out the substantive decisions on behalf of the shareholders in the event of triggering or other operation of the Plan. The initial members of the Independent Committee for the introduction of the Plan will be two outside directors of the Company and two outside statutory auditors of the Company, who are highly independent from the management of the Company. (Standards for appointing members, requirements for resolution, resolution matters, and other matters concerning the Independent Committee are as described in Attachment 1 'Outline of the Rules of the Independent Committee' and initial members of the Independent Committee for the introduction of the Plan will be as described in Attachment 2 'Profiles of the Members of the Independent Committee'.)

If an Acquisition is actually to be made, the Independent Committee shall substantially determine whether or not that Acquisition could harm the corporate value of the Company and the common interests of its shareholders, and the Company's Board of Directors shall pass a resolution as a function under the Corporation Law, respecting such decision of the Independent Committee to the maximum extent, in accordance with 3.1 'Procedures for Triggering the Plan' above.

3.6 Effective Period, Abolition and Amendment of the Plan

The effective period of the Plan shall be the period of approximately three years from the conclusion of the Ordinary General Meeting of Shareholders for the year ending February 2007 to

the conclusion of the Ordinary General Meeting of Shareholders for the year ending February 2010.

However, if, before the expiration of the Effective Period, (a) a general meeting of shareholders of the Company passes a resolution to withdraw the above mentioned assignment to the Board of Directors to decide matters relating to the gratis allotment of Stock Acquisition Rights under the Plan, or (b) the Company's Board of Directors passes a resolution to abolish the Plan, the Plan shall be abolished at that time.

Further, the Company's Board of Directors may revise or amend the Plan even during the Effective Period of the Plan, if such revision or amendment is not against the purpose of the assignment by the general meeting of shareholders as described in paragraph (b) of 3.4, 'Procedures for the Introduction of the Plan' above (including cases where any law, regulation, stock exchange rules or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, and cases where such revision or amendment does not detriment the Company's shareholders, and the like), and subject to the approval of the Independent Committee.

If the Plan is abolished, modified, amended or the like, the Company will promptly disclose facts including the fact that such abolition, modification amendment or the like has taken place, and (in the event of a modification or amendment or the like) the details of the modification, amendment and any other matters.

4. Rationale of the Plan

4.1 Satisfying the Requirements of the Guidelines for Takeover Defense Measures

The Plan satisfies the three principles set out in the "Guidelines regarding Takeover Defense for Ensuring and Enhancing Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

4.2 Introduction with the Purpose of Ensuring and Enhancing the Common Interests of Shareholders

As outlined in 2 'Purpose for the Introducing of the Plan' above, the purpose of the introducing of the Plan is to ensure and enhance the corporate value of the Company and, in turn, the common interests of its shareholders by ensuring that all shareholders have the necessary and adequate information and time to make proper decisions in the case of large-scale acquisitions of the shares in the Company, and by securing the opportunity to negotiate with the acquirer or similar actions in the interests of the Shareholders.

4.3 Placing Value on the Intent of Shareholders

As set out above in section 3.4, 'Procedures for the Introduction of the Plan,' the Plan will be introduced upon a resolution of the general meeting of shareholders of the Company to assign to the Company's Board of Directors the authority to decide matters relating to the Plan.

Further, as set out above in section 3.6, 'Effective Period, Abolition and Amendment of the Plan,' the Plan is subject to a so-called sunset clause setting the Effective Period to be approximately three years and if, even before the expiration of the Effective Period of the Plan, the general meeting of shareholders of the Company passes a resolution to revoke its resolution to assign the authority as set out above, the Plan will be abolished at that time. In this regard, the life of the Plan depends on the intent of the Company's shareholders.

4.4 Disclosure of information and emphasis on the decisions of highly independent parties such as outside directors

As set out above in section 3(5), 'Establishment of the Independent Committee,' the Independent Committee, composed only of members who are highly independent from the Company's management, such as outside directors of the Company, will make the substantive decisions for the management of the Plan, including its triggering. This initiative ensures rigid supervision of arbitrary actions by the Board of Directors.

Further, outlines of the Independent Committee's decisions are required to be disclosed to all shareholders, and the Plan will ensure a structure under which the Plan is operated in a transparent way that serves the corporate value of the Company and the common interests of its shareholders.

4.5 Establishment of Reasonably Objective Requirements

As set out above at section (d) of 3.1, 'Procedures for Triggering the Plan,' and 3.2, 'Requirements for the Gratis Allotment of Stock Acquisition Rights,' the Company believes that the Plan is established so that it will not be triggered unless reasonable and objective requirements have been satisfied, and ensures a structure to eliminate arbitrary triggering by the Company's Board of Directors.

4.6 Obtaining the Advice of Third-Party Experts

As set out above at section (c)(ii) of 3.1, 'Procedures for Triggering of Plan,' if an Acquirer emerges, the Independent Committee may obtain the advice of independent third parties (including financial advisors, certified public accountants, attorneys, consultants or any other experts) at the cost of the Company. This is a mechanism to even more securely enhance the objectivity and fairness of the decisions made by the Independent Committee.

4.7 One-Year Term of Office for Directors of the Company

Through the Articles of Incorporation, the term of office for Company directors is one year. This short term of office for directors clarifies the responsibilities of its management to its shareholders and strengthens corporate governance practices.

4.8 No Dead-Hand or Slow-Hand Takeover Defense Measures

As stated above in section 3.6, 'Effective Period, Abolition and Amendment of the Plan,' the Plan may be abolished by a person who acquires a large number of share certificates of the shares in the Company through an election at a general meeting of shareholders of directors nominated by that person and through a resolution of the Company's Board of Directors attended by the so-elected directors.

Therefore, the Plan is not a dead-hand takeover defense measure (a takeover defense measure in which even if a majority of the members of the Board of Directors are replaced, the triggering of the measure cannot be stopped). Also, as the Company has not adopted a system of staggered board, the Plan is not a slow-hand takeover defense measure either (a takeover defense measure in which triggering takes more time to stop due to the fact that the members of the Board of Directors cannot be replaced all at once).

5. Impact on Shareholders

5.1 Impact on Shareholders and Investors at the Time of Introduction

At the time of its introduction, the Plan will have no direct or material 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.

5.2 Impact on Shareholders and Investors at the Time of the Gratis Allotment of Stock Acquisition Rights

- (i) Procedures for Shareholders upon the Gratis Allotment of Stock Acquisition Rights and Procedures for Entry of Name Change

If the Company's Board of Directors passes a resolution for a gratis allotment of Stock Acquisition Rights, the Company's Board of Directors will also decide the Allotment Date by the same resolution and give public notice of this Allotment Date. In this case, the Company will in principle make a gratis allotment of Stock Acquisition Rights to the shareholders who are registered or recorded in the Company's last register of shareholders and register of beneficial shareholders as of the Allotment Date (the "Entitled

Shareholders”) for one Stock Acquisition Right per one share in the Company held by the Entitled Shareholders. Therefore, it will be necessary for shareholders who have not entered their name change to arrange for the procedures for such change as soon as possible in time for the Allotment Date (No procedures for entry of name change are required for those share certificates deposited with the Japan Securities Depository Center, Inc.). All Entitled Shareholders will become Stock Acquisition Right holders as a matter of course on the effective date of the gratis allotment of Stock Acquisition Rights, and no further procedures, such as applying for such gratis allotment, will be necessary. In addition, even after the Company’s Board of Directors passes a resolution for gratis allotment of Stock Acquisition Rights, the Company, by respecting any recommendation of the Independent Committee described above at section (d)(i) of 3.1, ‘Procedures for Triggering the Plan,’ to the maximum extent, on or before the date immediately prior to the Exercise Period Commencement Date of Stock Acquisition Rights, may (before the gratis allotment has taken effect) cancel the gratis allotment of Stock Acquisition Rights or (after the gratis allotment has taken effect) acquire the Stock Acquisition Rights without consideration. In such cases, there will be no dilutive effect on the share value per share. Therefore, it is likely that a fluctuation in the share price will cause unexpected damages to certain shareholders or investors who made selling transactions on the assumption that the share value of the Company will be diluted after the date on which the shareholders to receive a gratis allotment of the stock acquisition rights are fixed (after the stock goes ex-rights) .

(ii) Procedures for Exercising Stock Acquisition Rights

The Company will deliver, as a general rule, an exercise request form for 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 that the shareholders themselves satisfy the exercise conditions of the Stock Acquisition Rights, indemnity clauses and other pledges) and other documents necessary for the exercise of the Stock Acquisition Rights to the Entitled Shareholders. After the gratis allotment of Stock Acquisition Rights, the shareholders will be issued one share in the Company per one Stock Acquisition Right upon submitting these necessary documents during the exercise period of Stock Acquisition Rights and, as a general rule, by paying to the place handling such payments an amount equivalent to the exercise price determined by the Company’s Board of Directors in the Gratis Allotment Resolution, which will be an amount within the range of one yen and one-half of the fair market value of the Company’s stock per Stock Acquisition Right.

If the Company's shareholders do not exercise their Stock Acquisition Rights or pay the amount equivalent to the exercise price, the shares they hold in the Company will be diluted by the exercise of Stock Acquisition Rights by other shareholders.

However, it is also possible for the Company to acquire the Stock Acquisition Rights of all shareholders other than Non-Qualified Parties and, in exchange, deliver shares, etc. in the Company, in accordance with the procedures set out in (iii) below. If the Company carries out such an acquisition procedure, all shareholders other than Non-Qualified Parties will come to receive the Company's shares, etc. without exercising their Stock Acquisition Rights or paying an amount equivalent to the exercise price, and, in principle, no dilution of the shares in the Company they hold will result.

(iii) Procedures for the Acquisition of 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 from the shareholders other than Non-Qualified Parties, on the day that falls on the date separately determined by the Company's Board of Directors, and in exchange, deliver shares in the Company. In this case, the shareholders concerned will, in principle, come to receive one share in the Company for every one Stock Acquisition Right as consideration for the acquisition by the Company of those Stock Acquisition Rights, without paying an amount equivalent to the exercise price. Further, in such case, the shareholders concerned will be separately requested to submit, in a form prescribed by the Company, a written undertaking including representations and warranties regarding matters such as the fact that they are not Non-Qualified Parties, 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, method of procedures for entry of name change, exercise method and method for acquisition 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 -

Outline of the Rules of the Independent Committee

- * The Independent Committee shall be established by resolution of the Company's Board of Directors.
- * There shall be no less than three (3) members of the Independent Committee, and the Company's Board of Directors shall elect the members from (i) outside directors of the Company, (ii) outside statutory auditors of the Company and (iii) other outside experts who are independent from the management that conducts the execution of the business of the Company. However, such experts must be experienced corporate managers, parties with knowledge of the investment banking industry or the Company's business field, lawyers, certified public accountants, researchers whose research focuses on the Corporation Law of Japan or the like, or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Company's Board of Directors that contains a provision obligating them to exercise the duty of care of a good manager or similar provision.
- * Unless otherwise determined by a resolution of the Company's Board of Directors, the term of office of members of the Independent Committee shall be until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within one (1) year after the conclusion of the Ordinary General Meeting of Shareholders. However, the term of office of any member of the Independent Committee who is an outside director or outside statutory auditor shall end simultaneously in the event that they cease to be a director or statutory auditor (except in the case of their re-appointment).
- * The Independent Committee shall make decisions on the matters listed below and make recommendations to the Company's Board of Directors containing the details of and reasons for the recommendation. Respecting such recommendations of the Independent Committee to the maximum extent, the Company's Board of Directors shall make resolutions relating to implementation or non-implementation of a gratis allotment of stock acquisition rights as a function under the Corporation Law of Japan. Each member of the Independent Committee and each director of the Company must make such decisions solely with a view to whether or not the corporate value of the Company and the common interests of its shareholders will be enhanced, and they must not serve the purpose of their personal interests or those of the management of the Company.
 - (a) The implementation or non-implementation of the gratis allotment of Stock Acquisition Rights.
 - (b) The cancellation of the gratis allotment of Stock Acquisition Rights or the gratis

acquisition of Stock Acquisition Rights.

- (c) Any other matters that are for determination by the Company's Board of Directors in respect to which it has consulted the Independent Committee.
- * In addition to the matters prescribed above, the Independent Committee shall conduct the matters listed below.
 - (a) Determining whether the Acquisitions should be made subject to the Plan.
 - (b) Determining the information that the Acquirer and the Company's Board of Directors should provide to the Independent Committee, and the deadline for the provision of that information.
 - (c) Examination and consideration of the terms of the Acquirer's Acquisitions.
 - (d) Negotiation and discussion with the Acquirer.
 - (e) Request to the Company's Board of Directors for submission of an alternative proposal and consideration of the alternative proposal.
 - (f) Resolution on extension of the Independent Committee Consideration Period.
 - (g) Approval of modification or amendment of the Plan.
 - (h) Any other matters that the Plan prescribes that the Independent Committee may conduct.
 - (i) Any matters that the Company's Board of Directors separately determines that the Independent Committee may conduct.
 - * If the Independent Committee decides that the details stated in the Acquisition Document and provided information are inadequate as Essential Information, it shall request that the Acquirer provide additional information. Further, if the Independent Committee receives from the Acquirer the Acquisition Document and any additional information that it requests, it may request that the Company's Board of Directors provide within a certain period an opinion regarding the terms of the Acquisition by the Acquirer and materials supporting that opinion, an alternative proposal (if any), and any other information that the Independent Committee may consider necessary from time to time.
 - * If it is necessary in order to have the terms of the Acquirer's Acquisition revised from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Independent Committee shall either directly or indirectly discuss and negotiate with the Acquirer, or present to shareholders the alternative plan of the Company's Board of Directors or conduct any similar action.
 - * In order to collect the necessary information, the Independent Committee may request the attendance of a director, statutory auditor or employee of the Company, or any other party that the Independent Committee considers necessary, and may require explanation of any matter it requests.
 - * The Independent Committee may, at the Company's expense, obtain the advice of an

independent third party (including financial advisers, certified public accountants, lawyers, consultants and other experts) and conduct similar actions.

- * Any member of the Independent Committee may convene a meeting of the Independent Committee when an Acquisition arises, or at any other time.
- * As a general rule, resolutions of meeting of the Independent Committee shall pass with a majority when at least two-thirds of the members of the Independent Committee are in attendance. However, in unavoidable circumstances a resolution may pass with a majority of voting rights when a majority of the members of the Independent Committee are in attendance.

Profiles of the Members of the Independent Committee

The following four people are scheduled to be the initial members of the Independent Committee for the introduction of the Plan.

Fumio Sato

Academic Background:

Mar. 1953 Graduated from the University of Tokyo, Faculty of Engineering

Business Background:

Apr. 1953 Joined Toshiba Corporation

June 1992 Appointed President and Chief Executive Officer of Toshiba Corporation

June 1996 Appointed Chairman of the Board of Toshiba Corporation

June 1999 Appointed Advisor to the Board of Toshiba Corporation (current position)

Sept. 2003 Appointed Director of the Company (current position)

Major concurrent office held:

Outside Director of Ishikawajima-Harima Heavy Industries Co., Ltd.

Note: Mr. Fumio Sato is an outside director of the Company as set out in Item 15 of Article 2 of the Corporation Law of Japan.

Mr. Sato does not have any special interest in the Company.

Mieko Kenjo

Academic Background:

- Mar. 1968 Graduated from Waseda University, School of Education, Department of English Language and Literature
- Mar. 1995 Graduated from the Graduate School of Science and Engineering at Waseda University (Master's Degree)¹

Business Background:

- Apr. 1968 Joined Tokyo Broadcasting System, Inc.
- Oct. 1973 Left Tokyo Broadcasting System, Inc.
- Apr. 1995 Appointed Director of the Fukuoka Cultural Center, Kasuga City
- Apr. 1996 Appointed Professor of the University of Aomori, Faculty of Sociology (current position)
- Dec. 2002 Appointed Director of Zen-Noh (National Federation of Agricultural Co-operative Associations)
- May 2006 Appointed Director of the Company (current position)

Major concurrent office held:

Outside Director of Ortho Corporation

Note: Ms. Mieko Kenjo is an outside director of the Company as set out in Item 15 of Article 2 of the Corporation Law of Japan.

Ms. Kenjo does not have any special interest in the Company.

¹ Translation Note: Ms. Kenjo has completed her doctorate degree at Waseda University. This information is not shown in the Japanese-language version of her profile.

Toyohiko Sanari

Academic Background:

Mar. 1959 Graduated from Keio University, Faculty of Economics

Business Background:

Oct. 1961 Joined the Office of Certificated Public Accountant Tetsuzo Ota
Jan. 1967 Joined the Audit Corporation of Tetsuzo Ota (currently known as
Ernst & Young ShinNihon)
June 1984 Appointed Representative Partner of the Audit Corporation of Tetsuzo
Ota
May 1998 Appointed Administrative Director of the Audit Corporation of
Tetsuzo Ota
May 2000 Resigned Administrative Director of the Audit Corporation of Tetsuzo
Ota
Feb. 2001 Resigned Representative Partner of the Audit Corporation of Tetsuzo
Ota
Mar. 2001 Established the Office of Certificated Public Accountant Toyohiko
Sanari
May 2001 Appointed Statutory Auditor of the Company (current position)

Major concurrent office held:

Outside Director of NSK Ltd.

Note: Mr. Toyohiko Sanari is an outside statutory auditor of the Company as set out in
Item 16 of Article 2 of the Corporation Law of Japan.

Mr. Sanari does not have any special interest in the Company.

Tsunaya Kawamura

Academic Background:

Mar. 1952 Graduated from the University of Tokyo, Faculty of Law

Business Background:

Apr. 1952 Joined the Mitsui Banking Corporation

June 1981 Appointed Director of the Mitsui Banking Corporation

June 1984 Appointed Full-time Statutory Auditor of the Mitsui Banking Corporation

Oct. 2000 Registered as Attorney-at-law (Tokyo Bar Association)
Joined Kawamura Law Offices

Apr. 2004 Appointed Chairman of the Legislative Committee of Tokyo Bar Association

May 2004 Appointed Statutory Auditor of the Company (current position)

Major concurrent office held:

Outside Statutory Auditor of Toyo Seikan Kaisha, Ltd.

Note: Mr. Tsunaya Kawamura is an outside statutory auditor of the Company as set out in Item 16 of Article 2 of the Corporation Law of Japan.

Mr. Kawamura does not have any special interest in the Company.

Appendix

Principal Shareholders of the Company

As of August 31, 2006

Rank	Name of shareholders	Number of shares held (thousands of shares)	Percentage of voting shares held (%)
1	The Mitsukoshi Welfare Foundation	40,199	8.24
2	Japan Trustee Services Bank, Ltd. (Trust Account)	18,605	3.81
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	14,767	3.03
4	Otsuka Kagu, Ltd.	14,119	2.89
5	Mitsui Life Insurance Company Limited	11,195	2.29
6	The Mitsukoshi Employee Stockholder's Group	8,974	1.84
7	Mitsukoshi Aigo Kai	8,366	1.71
8	Morgan Stanley and Company International Limited (Standing Proxy: Morgan Stanley Securities Limited)	7,943	1.62
9	The Chase Manhattan Bank, N.A. London (Standing Proxy: Mizuho Corporate Bank, Ltd., Kabuto-cho Securities Clearance Office)	7,120	1.46
10	Sumitomo Mitsui Banking Corporation	7,000	1.43