

[Translation: Please note that the following purports to be an accurate translation of excerpt contents of the original Japanese document, prepared for foreign shareholders solely as a reference material. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Please also be advised that certain explanations for the domestic voting procedures are omitted or modified in this translation.]

SEKISUI CHEMICAL CO., LTD.

Stock Exchange Code: 4204

June 7, 2010

To Our Shareholders:

NOTICE OF CONVOCATION OF THE 88TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

You are cordially invited to attend the 88th Annual General Meeting of Shareholders of SEKISUI CHEMICAL CO., LTD. (the "Company"), which will be held as described below.

If you are unable to attend the aforesaid meeting, you may exercise your voting rights by choosing either the methods stated below. In such case, please kindly see the attached Reference Documents Concerning the General Meeting of Shareholders below and exercise your voting rights before 5:30 PM on June 28, 2010 (Monday, JST).

For Reference Only: REGISTERED SHAREHOLDERS IN JAPAN may exercise voting rights by means of either of the following:

[In case of exercising voting rights via mail]

Please indicate on the Voting Right Exercise Form enclosed herewith your approval or disapproval of each of the items listed thereon and return the form to the Company before the deadline stated above.

[In case of exercising voting rights via the Internet, etc.]

Please access the website for exercising voting rights designated by the Company (<http://www.evotep.jp/>), indicate your approval or disapproval of each of the items by following the guidance on the display after entering the "log-in ID" and "password" shown on the enclosed Voting Right Exercise Form.

The Company cordially requests the shareholders who exercise voting rights via the Internet, etc. to understand the Guidance for the Exercise of Voting Rights via the Internet, etc. below. (omitted)

If voting rights are exercised via both mail and via the Internet, only the vote registered via the Internet will be recognized as valid.

Yours very truly,

By: **NAOFUMI NEGISHI**
President & Representative Director
SEKISUI CHEMICAL CO., LTD.
4-4 Nishitenma 2-chome,
Kita-ku, Osaka 530-8565

PARTICULARS

1. **Date and Time of the Meeting:** 10:00 a.m. on June 29, 2010 (Tuesday, JST)
2. **Place of the Meeting:** Employee Hall,
Osaka Head Office of Sekisui Chemical Co., Ltd.
11th Floor of Dojima Kanden Bldg.,
4-4 Nishitenma 2-chome, Kita-ku, Osaka
3. **Agenda of the Meeting:**

Matters for Reporting:

1. Report on the Business Report, the Consolidated Accounting Documents and the Non-Consolidated Accounting Documents for the 88th Business Term (from April 1, 2009 to March 31, 2010).
2. Report on the Results of the Audits of Consolidated Accounting Documents by the Accounting Auditor and the Board of Corporate Auditors.

Matters for Resolution:

- | | |
|---------------------------------|---|
| First Item of Business: | Appropriation of Retained Earnings |
| Second Item of Business: | Appointment of Nine (9) Directors |
| Third Item of Business: | Appointment of Two (2) Corporate Auditors |
| Fourth Item of Business: | Issuance of Stock Acquisition Rights under Stock Option Plan |

- End -

The date and time, and place and agenda of the Meeting are as stated above.

For those attending, please present Voting Rights Exercise Form (not enclosed in this translation) at the reception desk on arrival at the Meeting.

Sekisui Chemical Group's products exposition will be held at the showroom on the second floor of Osaka Head Office of the Company. The Company would like you to come on this occasion.

If any amendment is made to the Reference Document Concerning the General Meeting of Shareholders and the Business Report, the Consolidated Accounting Documents and the Non-Consolidated Accounting Documents, the amended version shall be posed on the Company's website (<http://www.sekisui.co.jp/>).

**REFERENCE DOCUMENTS CONCERNING
THE GENERAL MEETING OF SHAREHOLDERS**

Items and Matters for Reference

First Item of Business: Appropriation of Retained Earnings

One of the Company's primary policies in management is to increase corporate value, with an emphasis on returning the Company's profits to the shareholders proactively. In connection with returning of the Company's profits to the shareholders, the Company implements stable dividend policy depending upon business results, with a target of a dividend payout ratio of 30% of the consolidated net income.

Based on this dividend policy, the Company carefully examined the dividend for the fiscal year under review. As a result, it is proposed that the year-end dividend be ¥5 per share, totally taking into consideration the balance between strengthening management and continuing a long-term stable dividend policy.

1. Matters concerning the year-end dividend for the business term:

(1) Type of dividend assets:

Cash

(2) Matters concerning distribution of dividend assets and the aggregate amount:

¥5 per share of common stock of the Company

Aggregate amount of dividends: ¥2,628,437,215

The annual dividend for the business term under review is ¥10 per share, together with the interim dividend of ¥5 per share that was paid in December 2009.

(3) The date when dividends of retained earnings take effect:

June 30, 2010

Second Item of Business: Appointment of Nine (9) Directors

The terms of offices of all directors will expire at the closing of this Annual General Meeting of Shareholders. The Company proposes that nine (9) Directors be appointed.

The candidates of the Directors are as follows:

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
1	Naotake Okubo (March 16, 1940)	<p>Aug. 1962: Joined the Company</p> <p>Jun. 1989: Director of the Company Office Manager of Corporate Development Office</p> <p>Oct. 1989: Director of the Company In Charge of Corporate Purchasing Department and Tokyo Purchasing Department Office Manager of Corporate Development Office</p> <p>Jan. 1993: Director of the Company In Charge of Corporate Purchasing Department and Tokyo Purchasing Department General Manager of Techno-Materials Headquarters</p> <p>Jun. 1993: Managing Director of the Company General Manager of Techno-Materials Headquarters</p> <p>Mar. 1997: Managing Director of the Company In Charge of Corporate Planning & Control Office and International Business Department</p> <p>Jun. 1997: Executive Managing Director of the Company In Charge of Corporate Planning & Control Office and International Business Department</p> <p>Jan. 1999: Executive Vice President & Director of the Company</p> <p>Jun. 1999: President & Representative Director of the Company</p> <p>Apr. 2008: President & Representative Director, Chief Executive Officer of the Company</p> <p>Mar. 2009: Chairman of the Board and Representative Director of the Company [incumbent]</p>	218,085 shares
2	Naofumi Negishi (March 19, 1948)	<p>Apr. 1971: Joined the Company</p> <p>Jun. 2003: Director of the Company General Manager of Corporate Finance & Accounting and Planning Department</p> <p>Apr. 2005: Managing Director of the Company General Manager of Corporate Finance & Accounting and Planning Department</p> <p>Oct. 2007: Managing Director of the Company In Charge of Corporate Communication Department General Manager of Corporate Finance & Accounting and Planning Department</p> <p>Apr. 2008: Managing Director of the Company Senior Managing Executive Officer & CFO of the Company In Charge of Corporate Communication Department General Manager of Corporate Finance & Accounting and Planning Department</p> <p>Jun. 2008: Director of the Company Senior Managing Executive Officer & CFO of the Company</p>	86,259 shares

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
		<p>In Charge of Corporate Communication Department General Manager of Corporate Finance & Accounting and Planning Department</p> <p>Oct. 2008 Vice President & Director of the Company Senior Managing Executive Officer & CFO of the Company</p> <p>In Charge of Corporate Communication Department and Corporate Finance & Accounting and Planning Department</p> <p>Mar. 2009 President & Representative Director, Chief Executive Officer of the Company [incumbent]</p>	
3	Takayoshi Matsunaga (May 11, 1951)	<p>Apr. 1975: Joined the Company</p> <p>Jun. 2002: Director of the Company Senior Vice President of High Performance Plastics Company General Manager of Industrial Tape Division, High Performance Plastics Company</p> <p>Apr. 2004: Director of the Company In Charge of IT-Related Business Unit, High Performance Plastics Company</p> <p>Jun. 2004: Managing Director of the Company In Charge of IT-Related Business Unit, High Performance Plastics Company</p> <p>Apr. 2005: Executive Managing Director of the Company President of High Performance Plastics Company</p> <p>Apr. 2008: Executive Managing Director of the Company Senior Managing Executive Officer of the Company President of High Performance Plastics Company</p> <p>Jun. 2008: Director of the Company Senior Managing Executive Officer of the Company President of High Performance Plastics Company [incumbent]</p> <p>(Important position of other organizations concurrently assumed) Director of Sekisui Fuller Co., Ltd. Director of Sekisui America Corporation</p>	92,330 shares
4	Yoshiyuki Takitani (February 24, 1949)	<p>Apr. 1971: Joined the Company</p> <p>Jun. 2001: Director of the Company Department Manager of Development Department of Housing Company</p> <p>Apr. 2002: Director of the Company Head of President's Office of Housing Company</p> <p>Apr. 2004: Director of the Company General Manager of CS & Quality Management Department and Corporate Communication Department In Charge of Sekisui's Overall CS Issues</p> <p>Jun. 2004: Managing Director of the Company General Manager of CS & Quality Management Department and Corporate Communication Department In Charge of Sekisui's Overall CS Issues</p> <p>Apr. 2005: Managing Director of the Company</p>	82,696 shares

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
		<p>General Manager of Corporate Management Strategy Department and Corporate Communication Department</p> <p>Jan. 2007: Managing Director of the Company In Charge of Corporate Communication Department General Manager of Corporate Management Strategy Department</p> <p>Oct. 2007: Managing Director of the Company President of Urban Infrastructure & Environmental Products Company</p> <p>Apr. 2008: Managing Director of the Company Senior Managing Executive Officer of the Company President of Urban Infrastructure & Environmental Products Company</p> <p>Jun. 2008: Director of the Company Senior Managing Executive Officer of the Company President of Urban Infrastructure & Environmental Products Company [incumbent]</p> <p>(Important position of other organizations concurrently assumed) Director of Sekisui America Corporation</p>	
5	Ken Yoshida (May 23, 1951)	<p>Apr. 1974: Joined the Company</p> <p>Jun. 2002: Director of the Company Senior Vice President of High Performance Plastic Company</p> <p>Apr. 2003: Director of the Company Head of R&D Technology Center</p> <p>Jun. 2004: Managing Director of the Company Head of R&D Technology Center</p> <p>Apr. 2005: Managing Director of the Company General Manager of CS & Quality Management Department, Head of R&D Technology Center In Charge of Sekisui's Overall CS Issues</p> <p>Jan. 2007: Managing Director & CTO of the Company Head of R&D Center</p> <p>Oct. 2007: Managing Director & CTO of the Company General Manager of Corporate Management Strategy Department, Head of R&D Center</p> <p>Apr. 2008: Managing Director of the Company Senior Managing Executive Officer & CTO of the Company Head of R&D Center</p> <p>Jun. 2008: Director of the Company Senior Managing Executive Officer & CTO of the Company Head of R&D Center</p> <p>Mar. 2009: Director of the Company Senior Managing Executive Officer & CTO of the Company In Charge of External Affairs Department, Head of R&D Center</p> <p>Apr. 2009: Director of the Company Senior Managing Executive Officer & CTO of the</p>	104,857 shares

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
		<p>Company In Charge of External Affairs Department, Head of Manufacturing Development Innovation Center</p> <p>Apr. 2010: Director of the Company Senior Managing Executive Officer & CTO of the Company Head of Manufacturing Development Innovation Center [incumbent]</p>	
6	Teiji Kouge (November 14, 1953)	<p>Apr. 1976: Joined the Company</p> <p>Apr. 2003: President of Nagoya Sekisui Heim Co., Ltd.</p> <p>Jun. 2005: Director of the Company President of Nagoya Sekisui Heim Co., Ltd.</p> <p>Oct. 2005: Director of the Company Head of President's Office of Housing Company</p> <p>Apr. 2006: Director of the Company General Manager of Planning & Control Department of Housing Company</p> <p>Apr. 2007: Director of the Company General Manager of Housing Division and Planning & Control Department of Housing Company</p> <p>Jul. 2007: Director of the Company In Charge of Sales Department, General Manager of Housing Division of Housing Company</p> <p>Feb. 2008: Director of the Company President of Housing Company, In Charge of Sales Department, General Manager of Housing Division</p> <p>Apr. 2008: Director of the Company Managing Executive Officer of the Company President of Housing Company</p> <p>Apr. 2009: Director of the Company Senior Managing Executive Officer of the Company President of Housing Company [incumbent]</p>	44,159 shares
7	Hajime Kubo* (October 14, 1956)	<p>Apr. 1980: Joined the Company</p> <p>Apr. 2003: General Manager of Packaging Tape Division of High Performance Plastics Company</p> <p>Sep. 2006: General Manager of Business Management Division of High Performance Plastics Company</p> <p>Apr. 2008: Executive Officer of the Company General Manager of Business Management Division of High Performance Plastics Company</p> <p>Jan. 2010: Executive Officer of the Company General Manager of CSR Department</p> <p>Apr. 2010: Executive Officer of the Company In Charge of Corporate Communication Department General Manager of External Affairs Department and CSR Department [incumbent]</p>	18,514 shares
8	Shigemi Tamura (July 20, 1938)	<p>Apr. 1961: Joined The Tokyo Electric Power Company, Incorporated.</p> <p>Jun. 1995: Director of The Tokyo Electric Power Company, Incorporated.</p>	—

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
		Jun. 1999: Executive Vice President of The Tokyo Electric Power Company, Incorporated. Oct. 2002: Chairman of The Tokyo Electric Power Company, Incorporated. Jun. 2008: Corporate Advisor of The Tokyo Electric Power Company, Incorporated. Jun. 2008: Director of the Company [incumbent]	
		(Important position of other organizations concurrently assumed) Outside Director of AOC Holdings, Inc.	
9	Toru Tsuji (February 10, 1939)	Apr. 1961: Joined Marubeni-Iida Co., Ltd. (currently Marubeni Corporation) Jun. 1991: Director of Marubeni Corporation Apr. 1996: Managing Director of Marubeni Corporation Jun. 1997: Senior Managing Director of Marubeni Corporation Apr. 1999: President and CEO, Director of Marubeni Corporation Apr. 2003: Chairman and CEO, Member of the Board of Marubeni Corporation Apr. 2004: Chairman and Member of the Board of Marubeni Corporation Apr. 2008: Senior Corporate Advisor and Member of the Board of Marubeni Corporation Jun. 2008: Senior Corporate Advisor of Marubeni Corporation Jun. 2008: Director of the Company [incumbent]	—
		(Important position of other organizations concurrently assumed) Outside Director of Konica Minolta Holdings, Inc.	

- (Notes) 1. The mark “*” represents a candidate for new Director.
 2. Each of the candidates has no interest in the Company.
 3. Messrs. Shigemi Tamura and Toru Tsuji are candidates for outside Directors.
 4. The special matters to be particularly stated with respect to the candidates for outside Directors are as follows:
- (1) Reasons for the election of candidates for outside Directors:
- 1) Mr. Shigemi Tamura has experiences and achievements as a member of the management of one of Japan’s representative energy corporations. The Company, therefore, considers that his advice to management execution of the Company from an independent position will contribute to strengthening the corporate governance of the Company, and requests the shareholders to appoint him as an outside Director.
 - 2) Mr. Toru Tsuji has experiences and achievements as a member of the management of one of Japan’s representative general trading companies. The Company, therefore, considers that his advice based on the international experiences and knowledge acquired through managing the general trading company will be useful to promote globalization of the Sekisui Chemical Group, and requests shareholders to appoint him as an outside Director.
- (2) Outlines of the facts whether any unlawful business was executed, whether any preventive action was taken therefor and whether any countermeasures were taken after an unlawful business was found while the above candidates were in office as outside Directors or outside Corporate Auditors of other companies, if the candidates for outside Directors assumed the office of outside Directors or outside Corporate Auditors of other companies in the last five (5) years:
 Sompo Japan Insurance Inc. (“Sompo Japan”), of which Mr. Toru Tsuji held the office of

outside Corporate Auditor during the period from June 2003 to June 2009, received an administrative order from the Financial Services Agency (“FSA”) as of May 25, 2006 to suspend a part of its business operations pursuant to Article 133 of the Insurance Business Law and to improve business operations pursuant to Article 132(1) of the Insurance Business Law, due to the incidental failure in claim payments and irregularity in connection with the underwriting of liability insurance contracts. Before these facts were found, Mr. Toru Tsuji stated opinions and made recommendations to the Board of Directors and the Board of Corporate Auditors of Sompo Japan, for the system to comply with the laws and regulations, the strengthened internal audit system and the reporting method of results of internal audit. After these facts were found, he regularly checked the implementation status of the business improvement plan which was submitted by Sompo Japan to the FSA, and at the same time, reported advisable opinions to prevent recurrence of such misconducts at the meetings of the Board of Directors and the regular opinion exchange meetings with representative Directors of Sompo Japan.

(3) Summary of agreement to limit outside Directors’ liability:

The Company has entered into an agreement with Messrs. Shigemi Tamura and Toru Tsuji limiting their liability to compensate, under Paragraph 1 of Article 423 of the Corporate Law. Furthermore, when the election of Messrs. Shigemi Tamura and Toru Tsuji are approved, the Company will continue the agreement to limit outside Directors’ liability above. The summary of the agreement to limit outside Director’s liability is as follows:

If outside Directors cause damages to the Company due to negligence of duties as Directors, but they perform their duties in good faith and there are no material faults, outside Directors are liable to the Company up to the amount limited by the minimum amount of liability provided for under Article 425, Paragraph 1 of the Corporate Law.

(4) The number of years after candidates for outside Directors assumed the office:

The number of years after Messrs. Shigemi Tamura and Toru Tsuji have assumed the office of outside Director of the Company will be two (2) years at the closing of this Annual General Meeting of Shareholders.

5. The Company appointed Messrs. Shigemi Tamura and Toru Tsuji as Independent Directors pursuant to the rules of Tokyo Stock Exchange, Inc. and Osaka Securities Exchange, Co., Ltd., and notified both Exchanges of the appointment.

Third Item of Business: Appointment of Two (2) Corporate Auditors

The term of office of Mr. Tadashi Kunihiro, Corporate Auditor, will expire, and Mr. Masashi Takai, Corporate Auditor, will resign, at the closing of this Annual General Meeting of Shareholders. The Company proposes that two (2) Corporate Auditors be appointed. The Board of Corporate Auditors has given consent to this Item.

The candidates of Corporate Auditors are as follows:

No	Name (Date of birth)	Career summary, Position and Duty, and Important position of other organizations concurrently assumed	Number of shares of the Company owned
1	Tadashi Kunihiro (November 29, 1955)	Apr. 1986: Admitted to the bar Jan. 1994: Founded Kunihiro Law Office (Currently T. Kunihiro & CO., Attorney-at-law) Jun. 2006: Corporate Auditor of the Company [incumbent] (Important position of other organizations concurrently assumed) Outside Director of Tokio Marine & Nichido Fire Insurance Co., Ltd.	—
2	Shuichi Shino* (December 1, 1949)	Apr. 1973: Joined Yamaichi Securities Company, Limited Apr. 1998: Joined the Company Apr. 2002: General Manager of Investor Relations of Corporate Communication Department of the Company Mar. 2008: General Manager of Corporate Communication Department of the Company Apr. 2010: Member of Corporate Communication Department of the Company [incumbent]	32,241 shares

- (Notes) 1. The mark “*” represents a candidate for new Corporate Auditor.
2. The candidates have no interest in the Company.
3. Mr. Tadashi Kunihiro is a candidate for outside Corporate Auditor.
4. The special matters to be particularly stated with respect to the candidate for outside Corporate Auditor is as follows:
(1) Reasons for the election of candidate for Corporate Auditor:
With respect to Mr. Tadashi Kunihiro, he has a wide range of knowledge about corporate risk management and compliance system as an attorney-in-law. The Company requests the shareholders to appoint him as an outside Corporate Auditor, in order to have his opinions for the Company’s decision-making and management policies from outside fair position. Despite the fact that he has not participated in management of company in any capacity other than as an outside officer, we believe that he will duly execute his duties as outside Corporate Auditor due to the above-mentioned reasons.
(2) Outlines of the facts whether any unlawful business was executed, whether any preventive action was taken therefor and whether any countermeasures were taken after an unlawful business was found while the above candidate was in office as outside Corporate Auditor of the Company:
During the term of office of Mr. Tadashi Kunihiro, Corporate Auditor, the Japan Fair Trade Commission implemented an on-the-spot inspection of the Company in accordance with Article 47-1(4) of the Antimonopoly Law, for suspicion of being a part of a cartel to fix the prices of selling polyethylene gas pipes and rehabilitation pipes to gas companies. Mr. Tadashi Kunihiro always called attention to comply with the laws and regulations by presenting his opinions at the Board of Directors from a legal point of view. In addition, after the start of the aforesaid investigation, he fulfilled his duties by, among other things, investigating the process of the case, and underlying corporate culture and structural problems, examining the reason and preparing countermeasures to prevent recurrence, as a member of

the Investigation Committee including the third party independent lawyers.

- (3) Reasons why the Company considers that the candidate for outside Corporate Auditors will appropriately implement the duties as outside Corporate Auditor, even if such candidate has not been engaged in corporate management in any capacity other than as outside director or outside corporate auditor:

Mr. Tadashi Kunihiro has a wide range of knowledge about corporate risk management and compliance system as a lawyer. The Company requests the shareholders to appoint him as an outside Corporate Auditor, in order to have his opinions for the Company's decision-making and management policies from outside fair position.

- (4) Summary of agreement to limit Corporate Auditor's liability:

In the event that this proposition is approved and resolved, the Company will enter into an agreement with Mr. Tadashi Kunihiro limiting his liability to compensate, under Paragraph 1 of Article 423 of the Corporate Law. The summary of the agreement to limit outside Corporate Auditor's liability is as follows:

If outside Corporate Auditor cause damages to the Company due to negligence of duties as Corporate Auditor, but he perform his duties in good faith and he is no material faults, outside Corporate Auditor is liable to the Company up to the amount limited by the minimum amount of liability provided for under Article 425, Paragraph 1 of the Corporate Law.

- (5) The number of years after candidate for outside Corporate Auditor assumed the office:

The number of years after Mr. Tadashi Kunihiro assumed the office of outside Corporate Auditor of the Company will be four (4) years at the closing of this Annual General Meeting of Shareholders.

5. The Company appointed Mr. Tadashi Kunihiro as Independent Corporate Auditor pursuant to the rules of Tokyo Stock Exchange, Inc. and Osaka Securities Exchange, Co., Ltd., and notified both Exchanges of the appointment.

Fourth Item of Business: Issuance of Stock Acquisition Rights under Stock Option Plan

It is proposed that the Company will, pursuant to the provisions of Articles 236, 238 and 239 of the Corporate Law, issue stock acquisition rights under a stock option plan to representative directors, certain directors and key employees of certain subsidiaries and affiliated companies of Sekisui Chemical Group, and delegate the determination of the terms and conditions thereof to the Board of Directors of the Company.

1. Purpose for issuing stock acquisition rights

The Company will issue stock acquisition rights under a stock option plan to grant incentives to representative directors, certain directors and key employees of certain subsidiaries and affiliated companies of Sekisui Chemical Group, in order to improve business results and increase corporate value and to raise morale for the business operation with an emphasized consideration toward shareholders.

2. Grantees of stock acquisition rights to be allotted:

Representative directors, certain directors and key employees of certain subsidiaries and affiliated companies of Sekisui Chemical Group (hereinafter referred to as the “Grantees”)

3. Details of stock acquisition rights

(1) Class and number of shares to be allotted for stock acquisition rights:

Maximum of 600,000 shares of common stock of the Company.

In case the Company makes a stock split or stock consolidation of its outstanding shares, the number of shares to be allotted for a stock acquisition right shall be adjusted in accordance with the formula set forth below. Provided, however, that such adjustment shall be made solely to the number of shares to be allotted for a stock acquisition right which have not yet been exercised at the time of such stock split or consolidation, and that any fractional shares less than one share arising out of such adjustment shall be disregarded:

$$\begin{array}{l} \text{Number of shares} \\ \text{after adjustment} \end{array} = \begin{array}{l} \text{Number of shares} \\ \text{before adjustment} \end{array} \times \begin{array}{l} \text{Percentages of stock split} \\ \text{(or stock consolidation)} \end{array}$$

(2) Aggregate number of stock acquisition rights to be issued:

Maximum of 600 (The number of shares to be allotted for a stock acquisition right shall be 1,000 shares.). Provided, however, that in case the Company makes a stock split or stock consolidation as set forth in (1) above, the same adjustment shall be made.

(3) Amount to be payment upon issue of stock acquisition rights:

No payment shall be made upon issue of stock acquisition rights.

(4) Value of assets to be contributed upon exercise of each stock acquisition right:

The value of assets to be contributed upon exercise of each stock acquisition right shall be the amount to be paid for a share upon exercise of exercise of each stock acquisition right (hereinafter referred to as “exercise price”), multiplied by the number of shares to be allotted.

The exercise price shall be an amount which is the average of the closing prices of the Company’s shares of common stock on the Tokyo Stock Exchange on each day (other than any days on which no sale is reported) of the month immediately preceding the month to which the date of the issuance of stock acquisition rights belongs, multiplied by 1.05. Any amount less than one yen arising out of such calculation shall be rounded upward to the nearest yen. Provided, however, that if such price is less than the closing price as of the date of the issuance of stock acquisition rights (or the latest available closing price reported

if no trading is made on such date), then such closing price reported on such date shall be the amount to be paid.

In case the Company shall make a stock split or stock consolidation of its outstanding shares after the issuance of a stock acquisition right, the exercise price shall be adjusted in accordance with the following formula, and any amount less than one yen arising out of such adjustment shall be rounded upward to the nearest yen:

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Percentages of stock split or stock consolidation}}$$

Furthermore, in case the Company issues new shares or disposes of its treasury stocks at a price less than the current market price (except where shares are issued upon exercise of stock acquisition rights), the exercise price shall be adjusted in accordance with the following formula, and any amount less than one yen arising out of such adjustment shall be rounded upward to the nearest yen:

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares newly issued} \times \text{Amount paid per share newly issued} + \text{Current market price before issuance of new shares}}{\text{Number of shares issued} + \text{Number of shares newly issued}}$$

The “Number of shares issued” in the above formula means the number of shares obtained by deducting the number of treasury stock from the total number of shares issued. In case of disposal of treasury stock, the “Number of shares newly issued” shall be read as the “Number of treasury stock to be disposed of.”

In addition, the Company shall make adjustments to the extent reasonable, if adjustments of the exercise price will be necessary due to any occurrence of unavoidable events after the allotment date of stock acquisition rights including where the Company carries out allotment to holders of common stocks of other class of shares without any charge, or the Company shall distribute shares of other company to common stocks of the Company as dividends in kinds.

(5) Exercise period of stock acquisition rights:
From July 1, 2012 to June 30, 2015

(6) Conditions of exercise of stock acquisition rights:

(i) Holders of stock acquisition rights are required to be in the position of Directors, executive officers or employees of the Company or subsidiaries or affiliated companies of the Company when exercising such rights. Provided, however, that the foregoing shall not be applicable in the event that such person retires from his/her position as Director of the Company or subsidiaries or the affiliated companies of the Company due to the expiry of the term of office, such person retires from the Company or subsidiaries or the affiliated companies of the Company by the retiring age limit, or for any other justifiable reasons.

(ii) No pledge on, or disposition of, stock acquisition rights shall not be created or made.

(iii) Other conditions of the exercise of stock acquisition rights shall be determined in accordance with the agreement with respect to the granting of stock acquisition rights to be entered into between the Company and each of the Grantees, pursuant to a resolution of the Board of Directors.

(7) Transfer restrictions on stock acquisition rights:

Transfer of stock acquisition rights shall require approval of the Board of Directors of the Company.

(8) Amount of stated capital or capital reserve to be increased by issuance of shares upon exercise of stock acquisition rights

(i) The amount of stated capital to be increased by issuance of shares upon exercise of stock acquisition rights shall be half of the maximum amount of increase of stated capital, etc. calculated pursuant to Article 17, Paragraph 1 of the Accounting Rules for Corporation, and any amount less than one yen arising out of such calculation shall be rounded upward to the nearest yen.

(ii) The amount of stated capital reserve to be increased by issuance of shares upon exercise of stock acquisition rights shall be the amount obtained by deducting the amount of increase of stated capital as set forth in the above (i) from the maximum amount of increase of stated capital, etc. as set forth in the above (i).

(9) Details of stock acquisition rights other than the above shall be determined by a resolution of the Board of Directors to determine the terms and conditions of stock acquisition rights.

End