

May 8, 2009

## **Renewal of Countermeasures to Large-Scale Acquisitions of Toshiba Corporation Shares (Takeover Defense Measures)**

The effective period of the plan for countermeasures to large-scale acquisitions of the shares in Toshiba Corporation (the “Company”) (the “Former Plan”) adopted upon approval by resolution of the board of directors on April 28, 2006 and approval at the 167th ordinary general meeting of shareholders of the Company held on June 27, 2006 expires at the conclusion of the ordinary general meeting of shareholders to be held in June 2009 (the “170th Shareholders Meeting”).

Accordingly, the Company announces that the Company’s board of directors resolved at its board of directors meeting held on May 8, 2009 to partially revise the basic policy regarding the persons who control decisions on the Company’s financial and business policies (as provided in Article 118, Item 3 of the Enforcement Regulations of the Corporation Law; the “Basic Policy”) and to renew the plan for countermeasures to large-scale acquisitions of the shares in the Company (that plan after renewal, the “Plan”) for a further three years by partially revising the Former Plan, as a measure to prevent decisions on the Company’s financial and business policies from being controlled by persons deemed inappropriate (Article 118, Item 3(ii)(b) of the Enforcement Regulations of the Corporation Law) under the Basic Policy. The Plan will be renewed after the shareholders’ approval has been obtained at the 170th Shareholders Meeting.

For the renewal of the Plan, the Company has made the necessary revisions in accordance with the enforcement of the Financial Instruments and Exchange Law, amendments to laws and ordinances following the introduction of the electronic share certificate system and amendments to other related laws and ordinances, and changes based on practical experiences and discussions regarding takeover defense measures at the related parties including legal community, as well as (i) improved the transparency of the Plan by establishing the Special Committee and specifying members of the Special Committee in advance, (ii) set the extension period under this Plan for the Special Committee Consideration Period (defined in the Plan) that was not set under the Former Plan to a maximum of 30 days, as a general rule, and (iii) arranged and clarified requirements to hold the Shareholders’ Intent Confirmation Meeting (defined in the Plan). However, there is no significant change to the substantive content of the Former Plan.

## **1. Plan Outline**

The Plan is to be renewed for the purpose of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders by explicitly setting out the procedures to be followed when a large-scale acquisition of the Company's shares is made, ensuring that shareholders are provided with the necessary and adequate information and time in order to make appropriate decisions, and securing the opportunity for the Company to negotiate with the acquirer.

Specifically, if an acquirer commences or plans to commence an acquisition or a tender offer that would result in the acquirer holding 20% or more of the shares issued by the Company, the Company will require the acquirer to provide the necessary information to its board of directors in advance. The Special Committee that solely consists of outside directors who are independent from the Company's management will, at its discretion, obtain advice from outside experts, evaluate and consider the details of the acquisition, disclose to the Company's shareholders the necessary information, evaluate, consider and disclose any alternative proposal presented by the Company's representative executive officers, and negotiate with the acquirer. If the acquirer does not comply with the procedures under the Plan, or the acquisition would damage the corporate value of the Company or the common interests of its shareholders, and if the acquisition satisfies the triggering requirements set out in the Plan, the Company will implement countermeasures (allotment of stock acquisition rights with (a) an exercise condition whereby the acquirer etc. cannot exercise the rights (except where any exception event occurs) and (b) an acquisition provision to the effect that the Company may acquire the stock acquisition rights in exchange for the Company's shares from persons other than the acquirer etc., by means of a gratis allotment of stock acquisition rights (*shinkabu yoyakuken no mushou wariate*)) and ensure the corporate value of the Company and the common interests of its shareholders. (For an outline of the Plan, please see the following diagram. For accurate details, please read 3. 'Plan Details (Measures to Prevent Decisions on the Company's Financial and Business Policies from being Controlled by Persons Deemed Inappropriate Under the Basic Policy)' below.)

## **2. Features of the Plan (Rationale)**

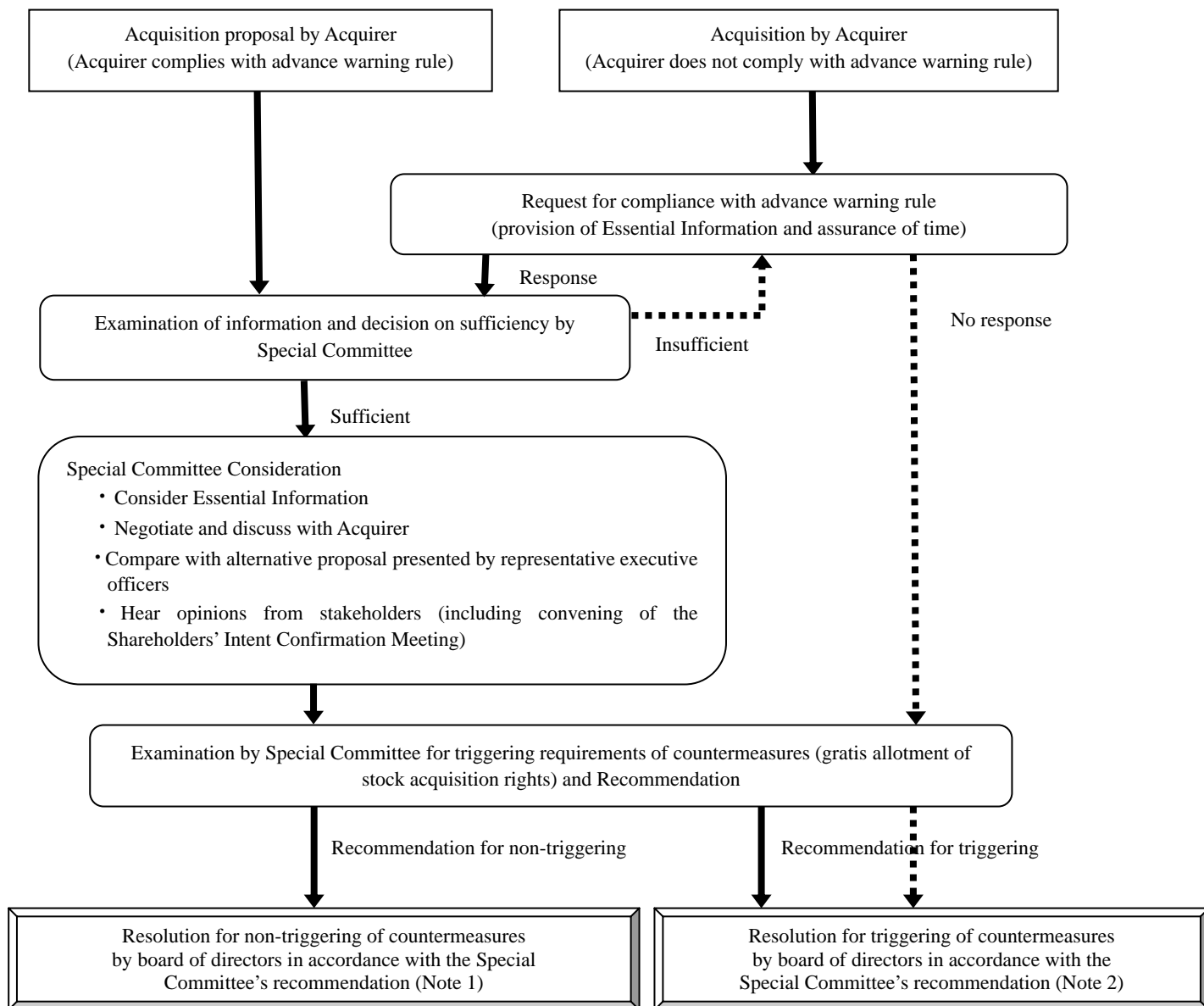
The Plan represents a scheme that is reasonable and transparent as set forth below. In particular, the Plan makes the decision-making process objective and clear, stipulates the terms of the countermeasures in detail, and accurately reflects the intent of the shareholders.

- The Plan will be partially revised and renewed with the shareholders' approval to be obtained at the 170th Shareholders Meeting.

- The countermeasures based on the Plan will only be implemented if an acquirer commences or plans to commence an acquisition or a tender offer that would result in the acquirer holding 20% or more of the shares issued by the Company.
- A recommendation from the Special Committee established by the board of directors is required to trigger the countermeasures based on the Plan.
- The Special Committee will be composed of three or more independent outside directors alone, and inside directors or executive officers that are part of management may not participate in resolutions by the Special Committee.
- The details of decisions and other informative material for shareholders will, as a general rule, be promptly disclosed in order to increase the transparency of the Special Committee's decisions.
- The details of the gratis allotment of stock acquisition rights, which constitutes the countermeasures under the Plan, are set forth in 3.4 'Outline of the Gratis Allotment of Stock Acquisition Rights'.
- The Company's board of directors may abolish the Plan at any time.
- The effective term of the Plan will be three years.

On the condition that the proposal for the appointment of directors proposed by the Company and the proposal for the renewal of the Plan are approved at the 170th Shareholders Meeting, the nominees for members and chairman of the initial Special Committee scheduled to be formally appointed by the Company's board of directors were announced in the Company's press release titled "Notice of Nominees for Members of the Special Committee and dated as of May 8, 2009.

Countermeasures to Large-Scale Acquisitions of  
Toshiba Corporation Shares



- : by Acquirer
- : by Special Committee
- : by board of directors

(Note 1) Under certain circumstances, including when the Special Committee sets out a recommendation to directly confirm the shareholders' intent before triggering countermeasures, the Company's board of directors will convene the Shareholders' Intent Confirmation Meeting and resolve whether to trigger the countermeasures in accordance with the resolution at the Shareholders' Intent Confirmation Meeting.

(Note 2) The details from page one though this page are a summary prepared for your reference in order to help you understand the Plan. Please refer to the main text of this document for accurate details of the Plan. If any conflict arises between the summary from page one through this page and the main text, the main text will prevail.

## **Countermeasures to Large-Scale Acquisitions of Toshiba Corporation Shares (Takeover Defense Measures)**

### **1. Basic Policy Regarding Persons Who Control Decisions on the Company's Financial and Business Policies**

The management vision of the Toshiba Group (“Group”) stresses the provision of products and services attuned to people’s aspirations and beneficial to society. Through this vision, we believe we will enhance our corporate value and achieve the common interests of our shareholders. In line with this philosophy, we make best efforts to enhance the efficiency and transparency of management and maximize corporate value from the viewpoints of our shareholders.

We create an environment in which individual employees can act and do well and work with enthusiasm, inheriting the passion and spirit of enquiry that inspired the inventiveness of Hisashige Tanaka, Toshiba’s founder. This is Toshiba’s corporate DNA, and it increases the overall strength of our organization. We believe that adherence to our vision is the very essence of the Company’s value. Further, in order for the Group to earn appropriate profit for return to our shareholders, and to achieve sustainable, continuous growth in the corporate value and common interests of shareholders over the medium-to long-term, we believe it is essential to maintain and develop a proper and good relationship with our shareholders and with other stakeholders, such as customers, business partners, vendors, employees and regional communities, and to give adequately consider the interests of these stakeholders.

The Group is one of Japan's largest companies. The scope of the Group's businesses is highly diversified, extending to Digital Products, Electronic Devices, Social Infrastructure, Home Appliances and others. Therefore, when we receive a proposal for acquisition of the Company’s shares, in order to make a suitable determination regarding the effect that such acquisition would have on our corporate value and the common interests of our shareholders, we believe it is necessary to gain an adequate understanding of (i) the feasibility, legality and appropriateness of the acquisition plan or business plan being proposed by the acquirer, (ii) the impact on the Company’s tangible and intangible management resources and our stakeholders, (iii) the potential effect of the measures in the future, (iv) the synergies that could potentially be achieved through a combination of business fields, (v) the current business condition of the Group, and (vi) other factors that constitute our corporate value and interests of our shareholders.

In light of the required considerations described above, the Company’s Board of Directors believes that any party acquiring a large amount of the Company’s shares, or making a proposal to do so, that does not contribute to protecting and enhancing the corporate value of the Company and the common interests of shareholders, is an inappropriate party to be in control of decisions about the financial and business policy of the Company.

## 2. **Special Measures to Contribute to Realizing the Basic Policy**

The Group is managed based on four policies:

- (i) achievement of sustained growth with profit;
- (ii) the multiplier effect of innovation;
- (iii) implementation of CSR management; and
- (iv) developing people with a global perspective.

### Achieve sustained growth with profit

The Group's business areas of Electronics and Energy face dramatic changes on a global scale on a day-to-day basis, along with fierce global competition. It is essential for the Group to analyze markets, to anticipate changes, and to accelerate the pace of business execution. The Group will survive competition and achieve sustained growth with profit by continually improving its capability to "respond to change, change to respond", which means making all required responses to changes quickly and decisively. To attain this sustained growth with high profit, the Group is executing proactive management through strategically allocating resources to growth businesses by re-strengthening its semiconductor business focusing on NAND flash memory, expanding investment in social infrastructure business mainly in nuclear power plants, and enhancing its response to increasing energy demand. The Group is also developing measures to promote strategic investment in energy-efficient and environmentally friendly products and business such as new rechargeable batteries and solar power generation.

### Maximize multiplier effect of innovations

In order to maximize the multiplier effect of innovations, which is to generate daily innovations that ripple through other processes, the Group strives to organize innovation techniques and successful cases of innovation and share them across the Group. In addition, the Group is promoting work-style innovation as means to cultivate an environment that encourages innovation by promoting a work-life balance that enables employees to effectively carry out their work responsibilities at a high level of concentration, and to have time for self-development.

### Exercise CSR Management

In order to continue the sustained development of the Group, it is essential that we gain social trust and credit by positively contributing to communities in any country or region in the world, and performing our corporate social responsibility. The Group is

making efforts to implement its basic policy of prioritizing human life and safety and legal compliance in all of its business activities, and promoting environmental management toward realization of a richer life in harmony with the Earth. The Group also respects diversity, including diversity in nationality and gender, as a Corporate Citizen of Planet Earth. By 2050, the Group aims to attain a 10 times improvement in its total eco-efficiency against the benchmark year of FY2000. To realize this goal, the Group will tackle the challenges of reducing the environmental impact associated with business activities, develop efficient energy supply equipment, and create environmentally-conscious products.

#### Develop People with a Global Perspective

In order to win against global competition and prosper in the global marketplace, the Group will develop people with a global perspective, who can create and encourage continuous innovation, and embrace and demonstrate diversity and different cultures. Toward this goal, the Group will promote education in innovation and programs that will train culturally-aware, well-rounded personnel who view the world, its different people and ways of thinking from a broad, inclusive perspective (a liberal arts education).

Under this policy, the Group will strive to further enhance management resources and maintain the source of the predominance of the group business.

### **3. Plan Details (Measures to Prevent Decisions on the Company's Financial and Business Policies from being Controlled by Persons Deemed Inappropriate Under the Basic Policy)**

#### 3.1 Purpose of the Plan

The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons viewed as inappropriate under the Basic Policy and to ensure and enhance the corporate value of the Company and the common interests of its shareholders, by setting out the procedures to be followed by an Acquirer (defined in (a) of 3.2 'Procedures for Triggering the Plan') when an Acquisition of the shares in the Company (defined in (a) of 3.2 'Procedures for Triggering the Plan') is made and ensuring that shareholders are provided with the necessary and adequate information and time to make an appropriate decision, and to secure the opportunity for the Company to negotiate with the acquirer.

The details of principal shareholders of the Company as of March 31, 2009 can be

found in Attachment 1, ‘Principal Shareholders of the Company.’ The Company has not been notified by or received any proposal from a specific third party about a large-scale acquisition of shares in the Company at this moment.

### 3.2 Procedures for Triggering the Plan

#### (a) Applicable Acquisitions

The Plan will be applied in cases where any purchase or other acquisition that falls under (i) or (ii) below or any similar action, or a proposal<sup>1</sup> for such action (except for such action as the Company’s board of directors separately determines not to be subject to the Plan; the “Acquisition”), takes place.

- (i) A purchase or other acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*)<sup>2</sup> of a holder (*hoyuusha*)<sup>3</sup> amounting to 20% or more of the share certificates, etc. (*kabuken tou*)<sup>4</sup> issued by the Company; or
- (ii) A tender offer (*koukai kaittsuke*)<sup>5</sup> that would result in the party conducting the tender offer’s ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*)<sup>6</sup> and the ownership ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*)<sup>7</sup> after the tender offer totaling at least 20% of the share certificates, etc. (*kabuken tou*)<sup>8</sup> issued by the Company.

A party effecting or proposing the Acquisition (collectively, the “Acquirer”) shall follow the procedures prescribed in the Plan beforehand, and the Acquirer must not effect an Acquisition until and unless the Company’s board of directors passes a resolution not to implement a gratis allotment of stock acquisition rights in accordance with the Plan.

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<sup>1</sup> “Proposal” includes solicitation of a third party to perform an acquisition, purchase or similar act.

<sup>2</sup> Defined in Article 27-23(4) of the Financial Instruments and Exchange Law. This definition is applied throughout this document.

<sup>3</sup> Including persons described as a holder under Article 27-23(3) of the Financial Instruments and Exchange Law (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.

<sup>4</sup> Defined in Article 27-23(1) of the Financial Instruments and Exchange Law. The same is applied throughout this document unless otherwise provided for.

<sup>5</sup> Defined in Article 27-2(6) of the Financial Instruments and Exchange Law. The same is applied throughout this document.

<sup>6</sup> Defined in Article 27-2(8) of the Financial Instruments and Exchange Law. The same is applied throughout this document.

<sup>7</sup> Defined in Article 27-2(7) of the Financial Instruments and Exchange Law (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 the Issuing Company are excluded from the persons described in Article 27-2(7)(i) of the Financial Instruments and Exchange Law. The same is applied throughout this document.

<sup>8</sup> Defined in Article 27-2(1) of the Financial Instruments and Exchange Law.

(b) Establishment of Special Committee

After the Plan is renewed, the Company's board of directors will elect the members of the Special Committee, one of whom is to act as the chairman of the Special Committee, in advance from outside directors who are independent from both the management of the Company that operates the Company's business and the Acquirer in order to secure the objectivity and rationale of the Special Committee. There will be no less than three members of the Special Committee. Standards for electing members, requirements for resolutions, matters to be resolved, and other matters concerning the Special Committee are set out in the Outline of the Rules of the Special Committee in Attachment 2.

If the chairman or a member of the Special Committee is elected or changed, the Company will promptly notify the shareholders. [On the condition that the proposal for the appointment of directors proposed by the Company and the proposal for the renewal of the Plan is approved at the 170th Shareholders Meeting, the nominees for members and chairman of the initial Special Committee scheduled to be formally appointed by the Company's board of directors, are announced in the Company's press release titled "Notice of Nominees for Members of the Special Committee".

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

The Company will require any Acquirer effecting an Acquisition to submit to the Company, in the form prescribed by the Company and written in Japanese, information as described in each item of Attachment 3 (the "Essential Information") required to examine the details of the Acquisition by the Acquirer and an undertaking that the Acquirer will, upon the Acquisition, comply with the procedures established under the Plan (the "Acquisition Document").

If the Special Committee determines that the Acquisition Document does not contain sufficient Essential Information, it may set a reasonable reply period and request directly or indirectly that the Acquirer provide additional Essential Information.

(d) Consideration of Acquisition Terms and Negotiation with the Acquirer

(i) Request to the Company's Representative Executive Officers for the Provision of Information

If the Acquirer submits the Acquisition Document or additional Essential Information, the Special Committee will set a reply period in which the Company's representative executive officers must present an opinion (including an opinion to refrain from giving such opinion; hereinafter the same) on the Acquirer's Acquisition terms, materials supporting such opinion, an alternative proposal, and any other information or materials that the Special

Committee considers necessary.

(ii) Special Committee Consideration

The Special Committee should consider the Acquisition terms, any alternative proposal presented by the Company's representative executive officers, collect information on materials such as the business plans from the Acquirer and the Company's representative executive officers and make a comparison thereof, and the like for a period of time that does not, as a general rule, exceed 60 days after the date on which the Special Committee receives the Acquisition Document containing sufficient Essential Information from the Acquirer. The Special Committee strives to understand the intent of shareholders and to listen to the opinions of the customers, business partners and employees as necessary. The Special Committee will consider the Acquisition terms to ensure the corporate value of the Company and the common interests of its shareholders (the period for information collection and consideration by the Special Committee is hereinafter referred to as the "Special Committee Consideration Period"). Further, if required 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 Special Committee will directly or indirectly discuss and negotiate with the Acquirer. If the Special Committee requests the Acquirer to provide materials for consideration or any other information, or to hold discussions or negotiations with the Special Committee, the Acquirer must promptly respond to such request.

In order for the Special Committee's decision to contribute to ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders, the Special Committee may at the cost of the Company obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys, consultants or any other experts).

(e) Procedures for Judgment by the Special Committee

If an Acquirer emerges, the Special Committee will take the following procedures.

(i) Recommendations for the Triggering of the Plan by the Special Committee

If the Special Committee determines that the Acquisition falls under one of the requirements set out below at 3.3, 'Requirements for the Gratis Allotment of Stock Acquisition Rights' ("Trigger Event"), the Special Committee will recommend the implementation of the gratis allotment of stock acquisition rights (as detailed in 3.4 'Outline of the Gratis Allotment of Stock Acquisition Rights'; the relevant stock acquisition rights hereinafter referred to as "Stock Acquisition Rights") to the Company's board of directors. If it is concerned that an Acquisition does or may fall under one of the requirements set out below in 'Trigger Event (2)' of 3.3, 'Requirements for the Gratis Allotment of Stock

Acquisition Rights' (the "Second Trigger Event"), the Special Committee may recommend to convene a meeting to confirm the shareholders' intent (the "Shareholders Meeting") before implementing the gratis allotment of Stock Acquisition Rights to directly confirm the intent of the shareholders. (The Shareholders' Intent Confirmation Meeting may be different from general shareholders meetings (*kabunushi sokai*) under the Corporation Law, but the quorum of that meeting and other matters will be in compliance with the Corporation Law and the Company's articles of incorporation; hereinafter the same.)

Notwithstanding the foregoing paragraph, even after the Special Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Special Committee determines that either of the events (A) or (B) below applies, it may make a new recommendation that (i) (on or before the second business day prior to the ex-rights date with respect to the gratis allotment of Stock Acquisition Rights) the Company should suspend the gratis allotment of Stock Acquisition Rights, or (ii) (from the effective date of the gratis allotment of Stock Acquisition Rights and until the day immediately prior to the commencement date of the exercise period of the Stock Acquisition Rights) the Company should acquire the Stock Acquisition Rights for no consideration.

(A) The Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.

(B) There is no longer any Trigger Event due to a change or the like in the facts or other matters on which the recommendation decision was made.

(ii) Recommendations for the Non-Triggering of the Plan by the Special Committee

If the Special Committee determines there is no Trigger Event with respect to the Acquisition, the Special Committee will recommend not to implement the gratis allotment of Stock Acquisition Rights to the Company's board of directors.

Notwithstanding the foregoing paragraph, even after the Special Committee has recommended not to implement the gratis allotment of Stock Acquisition Rights, if there is a change in the facts or other matters on which the recommendation decision was made and a Trigger Event arises, the Special Committee may make a new recommendation that the Company should implement the gratis allotment of Stock Acquisition Rights.

(iii) Extension of the Triggering of the Plan by the Special Committee

If the Special Committee is not able to make a recommendation for either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights by the conclusion of the initial Special Committee Consideration Period, the Special Committee may, to the extent that it is considered reasonably necessary for actions such as consideration

of the terms of the Acquirer's Acquisition, consideration of an alternative proposal and consultation and negotiation with the Acquirer, resolve to extend the Special Committee Consideration Period, in principle up to 30 days.

(f) Resolutions of the Board of Directors

The Company's board of directors will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights in accordance with any recommendation by the Special Committee described above. If the Shareholders' Intent Confirmation Meeting is convened in accordance with (g) below, the Company's board of directors will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights in accordance with any resolution by the Shareholders' Intent Confirmation Meeting.

(g) Convocation of the Shareholders' Intent Confirmation Meeting

In connection with implementation of the gratis allotment of the Stock Acquisition Rights pursuant to the Plan, the Company's board of directors may convene the Shareholders' Intent Confirmation Meeting and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the Stock Acquisition Rights, if the Special Committee recommends the Shareholders' Intent Confirmation Meeting be convened before the implementation of the gratis allotment of Stock Acquisition Rights to obtain direct approval at the Shareholders' Intent Confirmation Meeting in accordance with (e)(i) above.

(h) Information Disclosure

When operating the Plan, to enhance transparency, the Company will disclose in a timely manner information on matters that the Special Committee or the Company's board of directors considers appropriate including the progress of each procedure set out in the Plan (including the fact that the Acquisition Document has been submitted and the Special Committee Consideration Period has commenced), the opinion of the Company's representative executive officers on the Acquisition, an outline of an alternative plan or an outline of recommendations made by the Special Committee, and an outline of resolutions by the board of directors and by the Shareholders' Intent Confirmation Meeting, in accordance with the applicable laws and ordinances or the regulations of the financial instruments exchanges.

### 3.3 Requirements for the Gratis Allotment of Stock Acquisition Rights

The requirements to trigger the Plan to implement gratis allotment of Stock Acquisition Rights are as follows. As described above at 3.2, 'Procedures for Triggering the Plan,' the Company's board of directors will make a determination as to whether any of the following

requirements applies to an Acquisition for which a recommendation by the Special Committee has been obtained.

#### Trigger Event (1)

The Acquisition is not in compliance with the procedures prescribed in the Plan (including cases in which reasonable time and information necessary for shareholders to consider the details of the Acquisition or to be presented an alternative proposal is not sufficiently offered) and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

#### Trigger Event (2)

The Acquisition falls under any of the items below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

- (a) 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 any of the following actions:
  - (i) A buyout of share certificates to require such share certificates to be compulsorily purchased by the Company or the Company's related parties at a high 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 the 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.
- (b) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions, including tender offers, in which no offer is made to acquire all shares in the initial acquisition, and acquisition terms for the second stage are set that are unfavorable or unclear).
- (c) Acquisitions whose terms (including amount and type of consideration, the timeframe,

the legality of the Acquisition method, the feasibility of the Acquisition being effected, post-Acquisition management policies and business plans, and post-Acquisition policies dealing with the Company's other shareholders, employees, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's corporate value.

### 3.4 Outline of the Gratis Allotment of Stock Acquisition Rights

Following is an outline of the gratis allotment of Stock Acquisition Rights scheduled to be implemented if the Plan is triggered.

#### (a) Number of Stock Acquisition Rights

The Company will allot Stock Acquisition Rights in the same number as the most recent total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) as of a certain date (the "Allotment Date") that is determined in a resolution by the Company's board of directors relating to the gratis allotment of Stock Acquisition Rights ("Gratis Allotment Resolution").

#### (b) Shareholders Eligible for Allotment of Stock Acquisition Rights and Number of Stock Acquisition Rights to be Allotted

The Company will allot the Stock Acquisition Rights to those shareholders who are recorded in the Company's most recent register of shareholders on the Allotment Date, at a ratio of one Stock Acquisition Right for each share in the Company held.

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

The effective date of the gratis allotment of Stock Acquisition Rights will be determined by the Company's board of directors in the Gratis Allotment Resolution.

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

The number of shares to be acquired upon exercise of each Stock Acquisition Right (the "Applicable Number of Shares") will be the number determined by the Company's board of directors in the Gratis Allotment Resolution up to a maximum of one share.

#### (e) Amount to be Contributed upon Exercise of Stock Acquisition Rights

Contributions upon exercise of the Stock Acquisition Rights will be in cash, and the amount per share in the Company to be contributed upon exercise of the Stock Acquisition Rights will be an amount determined in the Gratis Allotment Resolution within the range of a minimum of one yen and a maximum of the amount equivalent to one-half of the fair market value of one share in the Company.

“Fair market value” means the average closing price 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 exercise period of the Stock Acquisition Rights will, in principle, be a period from one month to six months long commencing on a date separately determined in the Gratis Allotment Resolution (the “Exercise Period Commencement Date”) and continuing until the date separately determined in the Gratis Allotment Resolution.

(g) Conditions for Exercise of Stock Acquisition Rights

Except where any exceptional event<sup>9</sup> occurs, the following parties may not exercise the Stock Acquisition Rights (the parties falling under (I) through (VI) below are collectively referred to as “Non-Qualified Parties”):

- (I) Specified Large Holders;<sup>10</sup>
- (II) Joint Holders<sup>11</sup> of Specified Large Holders;

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<sup>9</sup> Specifically, the Company intends to set out that an “exceptional event” means when (x) an Acquirer cancels or revokes an Acquisition, or promises that it will not conduct any subsequent Acquisition, after the Gratis Allotment Resolution and the Acquirer or other Non-Qualified Parties dispose of their shares in the Company through a securities firm appointed and authorized by the Company to do so and (y) the Acquirer’s shareholding ratio determined by the Company’s board of directors (when calculating the shareholding ratio, Non-Qualified Parties other than the Acquirer and its Joint Holders are deemed to be the Acquirer’s Joint Holders, and Stock Acquisition Rights held by Non-Qualified Parties, the conditions of which have not been satisfied, are excluded) (the “Non-Qualified Parties Shareholding Ratio”) falls below the lower of (i) the Non-Qualified Parties’ Shareholding Ratio before the Acquisition or (ii) 20%, the Acquirer or other Non-Qualified Parties who has made the disposal may exercise Stock Acquisition Rights to the extent that the number of shares to be issued or delivered upon exercise of the Stock Acquisition Rights is up to the number of shares disposed of and to the extent of the ratio in either (i) or (ii) above. Detailed conditions and procedures to exercise Stock Acquisition Rights by Non-Qualified Parties will be determined separately by the Company’s board of directors.

<sup>10</sup> “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 a 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.

<sup>11</sup> “Joint Holders” means joint holders as defined in Article 27-23(5) of the Financial Instruments and Exchange Law, including any party deemed to be joint holders under Article 27-23(6) of the Financial Instruments and Exchange Law (including any persons who are deemed to fall under the above by the Company’s board of directors). The same is applied throughout this document.

- (III) Specified Large Purchasers;<sup>12</sup>
- (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 Party<sup>13</sup> of any party falling under (I) through (V).

Further, nonresidents of Japan who are required to follow certain procedures under applicable foreign laws and ordinances to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (provided, however, that the Stock Acquisition Rights held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out below in (ii) of paragraph (i), 'Acquisition of the Stock Acquisition Rights by the Company,' subject to compliance with applicable laws and ordinances). In addition, anyone who fails to submit a written undertaking in the form prescribed by the Company and containing representations and warranties regarding matters such as the fact that he or she satisfies the exercise conditions of the Stock Acquisition Rights, indemnity clauses and other covenants may not exercise the Stock Acquisition Rights.

(h) Restriction on Assignment of Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires, as a general rule, the approval of the Company's board of directors.

(i) Acquisition of Stock Acquisition Rights by the Company

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<sup>12</sup> "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 Financial Instruments and Exchange Law; the same is applied throughout this Note 12) of share certificates, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Law; the same is applied throughout this Note 12) 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 Financial Instruments 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. The same is applied throughout this document.

<sup>13</sup> 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.

- (i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Company's board of directors deems 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 for no consideration.
- (ii) On a day that falls on a date separately determined by the Company's board of 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 in the Company in the number equivalent to the number of the Applicable Number of Shares for each 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 date determined by the Company's board of directors after the date upon which the acquisition described above takes place, acquire any of the Stock Acquisition Rights held by that party that have not been exercised by or on the day immediately prior to such date determined by the Company's board of directors and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for each Stock Acquisition Right. The same will apply thereafter.

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

These matters will be determined by the Company's board of directors in the Gratis Allotment Resolution.

(k) Other

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

### 3.5 Effective Period, Abolition and Amendment of the Plan

The effective period of the Plan (the "Effective Period") will be approximately three

years commencing from the conclusion of the 170th Shareholders Meeting and continuing until the conclusion of the ordinary general meeting of shareholders relating to the fiscal year ending March 2012.

However, even before the expiration of the Effective Period, the Company's board of directors may pass a resolution to abolish the Plan.

Further, the Plan refers to the prevailing laws, ordinances and rules of financial instruments exchanges as of May 8, 2009, and 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 a resolution at the 170th Shareholders Meeting such as cases where any law, ordinance, rules of a financial instruments exchange 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, or cases where such revision or amendment is not detrimental to the Company's shareholders.

If the Plan is abolished, modified, amended or the like, the Company will promptly disclose the details and any other matters.

#### **4. Rationale of the Plan**

For the reasons set out below, the Company's board of directors believes that the Plan complies with the Basic Policy, is not detrimental to the corporate value of the Company and the common interests of its shareholders, and is not designed with the purpose of maintaining the positions of management of the Company.

The Plan fully satisfies the three principles (namely, (i) the principle of ensuring and enhancing corporate value and shareholders' common interests, (ii) the principle of prior disclosure and reflection of shareholders' intent, and (iii) the principle of ensuring necessity and appropriateness) set out in the Guidelines Regarding Takeover Defense for the Purposes of 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.

The Plan also reflects practical experiences and discussions regarding takeover defense measures at the related parties including legal community.

##### **4.1 Reflection of the Intent of Shareholders**

The Plan will be renewed upon approval by shareholders at the 170th Shareholders Meeting.

The Company's board of directors may abolish the Plan even before the expiration of the Effective Period by its resolution. Because the term of office of the Company's board of directors is one year, the intent of the shareholders will be reflected annually through the appointment of 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 terms of office for the board of directors, 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 all members of the board of directors cannot be replaced at once).

#### 4.2 Decisions of Independent Outside Parties and Information Disclosure

As a company with committees, the Company establishes the Special Committee composed of no less than three outside directors alone who are independent and supervise the Company's executive officers to eliminate arbitrary decisions by the Company management and to secure objective and rational decisions. Also, the Company believes the Special Committee can properly weigh up the effect an Acquisition would have on the Company's corporate value and the common interests of its shareholders by giving consideration to the actual situation of the Company and any other factors that constitute the Company's corporate value.

In addition, in order to increase the transparency of the Special Committee's decision making, the Company will promptly disclose to shareholders, as a general rule, an outline of the Acquisition Document received from an Acquirer, the opinion of the Company's representative executive officers on the Acquisition terms proposed by the Acquirer, an outline of an alternative plan, and any other matters that the Special Committee deems appropriate.

#### 4.3 Establishment of Reasonable Objective Requirements

The Plan is established so that it will not be triggered unless reasonable and objective requirements determined beforehand have been satisfied, and ensures a structure to eliminate arbitrary triggering by the Company's officers.

#### 4.4 Obtaining Advice from Third-Party Experts

The Special Committee may obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys, consultants or any other experts) at the Company's expense, and securely enhance the objectivity and fairness of the decisions made by the Special Committee.

### **5. Impact on Shareholders**

#### 5.1 Impact on Shareholders Upon Renewal of the Plan

At the time of renewal, the Plan will have no direct or material impact on shareholders and investors because no actual gratis allotment of Stock Acquisition Rights will be implemented at that time.

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

##### (i) Procedures for Shareholders upon Gratis Allotment of Stock Acquisition Rights

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 in the same resolution and give public notice of the Allotment Date. In this case, the Company will make a gratis allotment of Stock Acquisition Rights to the shareholders who are recorded in the Company's last register of shareholders as of the Allotment Date (the "Entitled Shareholders") for one Stock Acquisition Right per share in the Company held by the Entitled Shareholders. All Entitled Shareholders will become Stock Acquisition Rights 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 may, by complying with any recommendation by the Special Committee described above at section (e)(i) of 3.2, 'Procedures for Triggering the Plan,' (i) (on or before the second business day prior to the ex-rights date with respect to the gratis allotment of Stock Acquisition Rights) cancel the gratis allotment of Stock Acquisition Rights, or (ii) (from the effective date of the gratis allotment of Stock Acquisition Rights and until the day immediately prior to the Exercise Period Commencement Date) acquire the Stock Acquisition Rights for no consideration. In such cases, no dilution of the value per share in the Company held by the shareholders will

result, and it is likely that any investors who have sold or bought the shares in the Company expecting such a dilution will suffer unexpected damage as a result of any fluctuation in the share price.

(ii) Procedures for Exercising Stock Acquisition Rights

The Company will deliver to Entitled Shareholders, as a general rule, a document to be submitted upon exercise of the Stock Acquisition Rights (in the 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 covenants) and other documents. After the gratis allotment of Stock Acquisition Rights, the shareholders will be issued shares in the Company the number of which will be determined by the Company's board of directors in the Gratis Allotment Resolution up to a maximum of one share per Stock Acquisition Right upon submitting the necessary documents during the exercise period of Stock Acquisition Rights and by paying the amount equivalent to the exercise price in the prescribed manner.

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 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 shares in the Company without exercising their Stock Acquisition Rights or paying the amount equivalent to the exercise price and, in principle, there will be no subsequent dilution of the shares in the Company they hold.

(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 from the shareholders other than Non-Qualified Parties in accordance with the prescribed procedures, 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 shares in the Company the number of which will be determined by the Company's board of directors in the Gratis Allotment Resolution up to a maximum of one share per Stock Acquisition Right as consideration for the acquisition by the Company of those Stock

Acquisition Rights, without paying the amount equivalent to the exercise price. However, in such case, the shareholders concerned will be separately requested to submit, in the 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 covenants.

If the Gratis Allotment Resolution provides for the matters relating to acquisition of the Stock Acquisition Rights from the Non-Qualified Parties or other acquisition, the Company may take procedures in accordance with the provisions of the Gratis Allotment Resolution.

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, 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 of Document ---

***The Japanese version is controlling if there is any discrepancy between the English version and the Japanese version.***

## Attachment 1

### Principal Shareholders of the Company

Principal shareholders of the Company as of March 31, 2009 are as follows.

Name of shareholders	Number of shares held (thousands)	Voting Ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account 4G)	178,380	5.5
The Master Trust Bank of Japan, Ltd. (Trust Account)	177,005	5.5
The Dai-ichi Mutual Life Insurance Company	115,159	3.6
Nippon Life Insurance Company	110,352	3.4
Japan Trustee Services Bank, Ltd. (Trust Account)	98,581	3.1
Employees Stock Ownership Plan of the Company	56,112	1.7
NIPPONKOA Insurance Company, Limited	51,308	1.6
Japan Trustee Services Bank, Ltd. (Trust Account 4)	51,212	1.6
Sumitomo Mitsui Banking Corporation	51,003	1.6
Mizuho Corporate Bank, Ltd.	50,900	1.6

1. Although the Company received a report from AllianceBernstein L.P. and its joint holder that they jointly submitted the amended large shareholding report dated April 6, 2009 to the Kanto Local Finance Bureau stating that AllianceBernstein L.P. and the joint holder jointly held 158,338 thousand shares on March 31, 2009 (the Ratio of the number of shares owned to the total number of shares issued was 4.89%), this is not included in the description of principal shareholders above because the Company cannot confirm the number of shares held at the close of the accounting period.

Name of shareholders	Number of shares held (thousands)	Ratio of the number of shares owned to the total number of shares issued (%)
AllianceBernstein L.P.	152,517	4.71
AllianceBernstein Japan Ltd.	5,820	0.18
Total	158,337	4.89

Note: The ratio is calculated based on the total number of shares issued (3,237,602,026 shares) as of March 31, 2009.

- Although the Company received a report from the Bank of Tokyo Mitsubishi UFJ Ltd. and three joint holders that they jointly submitted the large shareholding report dated October 15, 2007 to the Kanto Local Finance Bureau stating that the Bank of Tokyo Mitsubishi UFJ Ltd. and the joint holders jointly held 201,255 thousand shares on October 8, 2007 (the Ratio of the number of shares owned to the total number of shares issued was 6.22%), this is not included in the description of major shareholders above because the Company cannot confirm the number of shares held at the close of the accounting period.

Name of shareholders	Number of shares held (thousands)	Ratio of the number of shares owned to the total number of shares issued (%)
The Bank of Tokyo Mitsubishi UFJ Ltd.	31,000	0.96
Mitsubishi UFJ Trust and Banking Corporation	148,788	4.60
Mitsubishi UFJ Asset Management Co., Ltd.	7,591	0.23
MU Investments Co., Ltd.	13,876	0.43
Total	201,255	6.22

Note: The ratio is calculated based on the total number of shares issued (3,237,031,486 shares) as of October 8, 2007.

## Attachment 2

### Outline of the Rules of the Special Committee

- The Special Committee will be established by resolution of the Company's board of directors.
- There will be no less than three members of the Special Committee and the Company's board of directors will elect the members and the chairman from several outside directors of the Company, who are independent from the management that executes the business of the Company and an Acquirer.
- The term of office of members of the Special Committee will be until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within one year of their appointment. Unless otherwise determined by the Company's board of directors, if a member is reappointed as a director at the ordinary general meeting of shareholders, the term of office will be until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within one year of their reappointment. The same will apply thereafter. Members of the Special Committee will retire from office as a matter of course when they retire from the office of outside director.
- The Special Committee shall conduct the matters listed below in accordance with the Plan to recommend (i) the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, (ii) the cancellation of the gratis allotment of Stock Acquisition Rights or the gratis acquisition of Stock Acquisition Rights, and (iii) any other matters that are for determination by the Company's board of directors in respect to which it has consulted the Special Committee, in light of ensuring the corporate value of the Company and common interest of its shareholders. The Company's board of directors will pass a resolution to implement or not implement the gratis allotment of Stock Acquisition Rights in accordance with the recommendation by the Special Committee. If the Shareholders' Intent Confirmation Meeting is held, the Company's board of directors will resolve the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights in accordance with the resolution at the Shareholders' Intent Confirmation Meeting.
  - (a) The Special Committee determines whether or not the details stated in the Acquisition Document provided by the Acquirer are adequate. If the Special Committee determines it is inadequate, the Special Committee will set a reasonable reply period and request directly or indirectly that the Acquirer provide additional Essential Information.
  - (b) If the Special Committee receives from the Acquirer the Acquisition

Document and any additional Essential Information requested, the Special Committee will request that the Company's representative executive officers provide within a period determined by the Special Committee an opinion regarding the terms of the Acquisition by the Acquirer (including reservation of opinion) and materials supporting that opinion, an alternative proposal, and any other information or material that the Special Committee may consider necessary from time to time.

- (c) The Special Committee will consider the Acquisition terms, an alternative proposal presented by the Company's representative executive officers, collect information on materials such as the business plans from the Acquirer and the Company's representative executive officers, make a comparison thereof, and the like for a period of time that does not, as a general rule, exceed 60 days after the date on which the Special Committee receives the Acquisition Document containing sufficient Essential Information from the Acquirer. The Special Committee may extend this period, in principle for up to 30 days.
  - (d) The Special Committee will strive to understand intent of the shareholders as well as ascertain the opinion of customers, clients and employees as necessary.
  - (e) The Special Committee will either directly or indirectly discuss and negotiate with the Acquirer if it is necessary in order to have the terms of the Acquisition revised from the standpoint of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders.
  - (f) The Special Committee will disclose in a timely manner through the Company information including the progress of each procedure set out in the Plan (including the fact that the Acquisition Document has been submitted and the Special Committee Consideration Period has commenced or been extended), the opinion of the Company's representative executive officers on the Acquisition, an outline of an alternative plan or an outline of recommendations made by the Special Committee, an outline of resolutions by the board of directors and by the Shareholders' Intent Confirmation Meeting, and any other matters that the Special Committee considers appropriate (including the extended period of the Special Committee Consideration Period and reason for the extension if the Special Committee Consideration Period is extended), in accordance with the applicable laws and ordinances or the rules of the financial instruments exchanges.
- In addition to the matters described in the list above, the Special Committee will conduct (i) any matter prescribed in the Plan that the Special Committee may

conduct and (ii) any matter that the Company's board of directors separately determines that the Special Committee may conduct.

- In order to collect the necessary information, the Special Committee may request the attendance of an executive officer, director or employee of the Company, or any other party that the Special Committee considers necessary, and may require explanation of any matter it requests.
- When the Special Committee executes its duties, it may, at the Company's expense, obtain the advice from independent third party experts (including financial advisers, certified public accountants, lawyers, consultants and other experts).
- Any member of the Special Committee may convene a meeting of the Special Committee at any time as necessary.
- Resolutions at meetings of the Special Committee will be passed with a two-thirds majority of attending members when a majority of the members of the Special Committee are in attendance (including attendance via video conference or telephone conference; hereinafter the same).

--- End of Document ---

## Attachment 3

### Essential Information

- (i) Details (including the specific name, capital composition, financial condition, details of violations of laws or ordinances in the past (if any), and terms of previous transactions by the Acquirer similar to the Acquisition) of the Acquirer and its group (including joint holders, persons having a special relationship and persons having a special relationship with a person in relation to whom the Acquirer is the controlled corporation, etc.<sup>14</sup>).<sup>15</sup>
- (ii) The purpose, method and terms of the Acquisition (including information regarding the amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and the probability that the Acquisition will be effected).
- (iii) The price of and basis for the calculation of the price of the Acquisition.
- (iv) Financial support for the Acquisition (including the specific names of providers of the funds for the Acquisition (including all substantive fund providers), financing methods and the terms of any related transactions).
- (v) Post-Acquisition management policy, business plan, and capital and dividend management policies for the Group.
- (vi) Post-Acquisition policies dealing with the Company group's shareholders (excluding the Acquirer), employees, business partners, local communities, and other stakeholders in the Company.
- (vii) Regulations under Japanese or foreign law or ordinances, or similar regulations, that may apply to the Acquisition, and the details of and possibility of obtaining approval, permits and licenses under competition law or any other law or ordinance from the Japanese or a foreign government, or a third party.
- (viii) Any permit or license required in Japan or overseas for the management of the Group after the Acquisition, the possibility of retaining those permits or licenses, and the

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<sup>14</sup> Defined in Article 9(5) of Enforcement Regulation for the Financial Instruments and Exchange Law.

<sup>15</sup> If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is required.

possibility of complying with regulations such as the laws and ordinances of Japan or any applicable foreign country.

- (ix) Any other information that the Special Committee considers reasonably necessary.