

(English Summary)

To Our Shareholders

Securities Code: 8697

June 1, 2007

Michio Yoneda, President & CEO  
Osaka Securities Exchange Co., Ltd.  
1-8-16, Kitahama, Chuo-Ku, Osaka

**Notice of the 6<sup>th</sup> Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 6<sup>th</sup> Ordinary General Meeting of Shareholders of the Company. The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders in the following pages, and either return the Voting Rights Exercise Form with your vote by mail, or exercise your voting rights electromagnetically via the Internet by accessing our website for exercising the voting rights specified in the Voting Rights Exercise Form, by 4:50 p.m., Thursday, June 21, 2007.

1. **Date & Time:** Friday, June 22, 2007 at 10:00 a.m.
2. **Place:** Kitahama Forum, OSE Building 3<sup>rd</sup> Floor  
1-8-16, Kitahama, Chuo-ku, Osaka
3. **Purpose of the Meeting**

**[Matters to be reported]**

The Business Report and Financial Statements for the 6<sup>th</sup>  
Fiscal Year (From April 1, 2006 to March 31, 2007)

**[Matters to be resolved]**

**Proposal No. 1:** Distribution of Surplus

**Proposal No. 2:** Partial Amendments to the Articles of Incorporation

**Proposal No. 3:** Election of 1 Substitute Statutory Auditor

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

#### **4. Request for the Exercise of Voting Rights**

##### **Voting via Mail:**

Please indicate your approval or disapproval for each item listed on the enclosed Voting Rights Exercise Form and return the form to us by 4:50 p.m., Thursday, June 21, 2007.

##### **Voting via the Internet:**

Please review the “Guideline on the Procedure for the Exercise of Voting Rights via the Internet” and exercise your Voting Rights by 4:50 p.m., Thursday, June 21, 2007.

For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

Any necessary alterations to the Reference Documents for the General Meeting of Shareholders, Business Report or Financial Statements will be notified on our website (<http://www.ose.or.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Distribution of Surplus

We understand that the most important assignment of the management is to return the profit to our shareholders. Based on the basic policy to continue stable dividend payment, and in consideration of the dividend payout ratio, depending on the development of financial results, we are determined to return the profit positively. For the foreseeable future, the Company will retain internal reserves focusing on the development of its platforms to improve self-regulatory functions and competitiveness as a stock exchange, and on its preparation for risk as a clearing organization. We will distribute dividends from surplus with the dividend payout ratio at about 40%.

Accordingly, we propose a year-end dividend payment of 4,500 yen per share, in view of the good financial results continuing from the previous fiscal year.

As a result, the total annual dividend payment, including the interim dividend of 2,000 yen, amounts to 6,500 yen per share. The Company conducted a 3-for-1 share split as of October 1, 2006. The equivalent amount of the annual dividend before the share split is 19,500 yen, up by 5,500 yen from the annual dividend of the previous fiscal year.

Matters related to this proposal:

- (1) Kind of dividend property and total book value  
Cash 1,215,000,000 yen
- (2) Allocation of the dividend property to shareholders  
4,500 yen per share
- (3) Effective date of distribution of surplus  
June 25, 2007

### Proposal No. 2: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for the Amendments

- (1) The term “the Exchange” shall be amended to “the Company,” in accordance with the common practice for public companies in Japan. (Article 1 and others)
- (2) Necessary amendments shall be made to prepare for the enforcement of the Financial Instruments and Exchange Law as follows:
  - 1) Change of terms (Heading of Chapter 2, Articles 2, 5, 8, 22, 25, and 33)

- 2) Addition of provisions to establish a Self-Regulation Committee in accordance with the Financial Instruments and Exchange Law (Heading of Chapter 5 and Article 29-3)
- 3) Given that the scope of the definition of “Financial Instruments Business” includes not only the existing “securities business” but also various businesses such as the investment trust management business and the investment advisory business, the number of candidate Directors who are academic experts with no relation to the defined business would be largely restricted. Accordingly, the number of such Directors shall be amended from “three (3) or more” to “A few.” (Article 22)
- (3) The date for resolutions by the Board of Directors concerning the budget shall be amended to “before the beginning of the said business year,” in order to secure the time necessary for careful deliberation on budgeting. (Article 39)
- (4) Amendments of words, deletions of provisions, and other necessary amendments shall be made. (Articles 7, 8 to 10, and 37-3)
- (5) The following additions and deletions of the supplementary provisions shall be made:
  - 1) Addition of items in the supplementary provisions to determine the effective dates of the provisions related with the Financial Instruments and Exchange Law in line with the enforcement of the said Law. (Items 1, 2, and 3)
  - 2) Deletion of items in the supplementary provisions that have become unnecessary due to the lapse of the effective dates. (omitted)

## 2. Contents of the Amendments

Contents of the amendments are as follows:

(Underlined parts are amended.  
 Note: In case that change in original Japanese text does not effect a substantial change in the meaning, no change is made in English translation.)

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="252 409 767 439">CHAPTER I. GENERAL PROVISIONS</p> <p data-bbox="236 477 336 506">(Name)</p> <p data-bbox="236 510 756 707">Article 1. The name of <u>this Securities Exchange</u> (hereinafter referred to as “<u>the Exchange</u>”) shall be “Kabushiki Kaisha Osaka Shoken Torihikijo” or “Osaka Securities Exchange Co., Ltd.” in English.</p> <p data-bbox="236 745 363 775">(Purpose)</p> <p data-bbox="236 779 743 875">Article 2. The purpose of the <u>Exchange</u> shall be to engage in the following businesses:</p> <p data-bbox="256 880 732 1043">           (1) Establishment of <u>the securities</u> market of the Exchange            (2) <u>Securities obligation assumption</u>            (3) Businesses incidental to the preceding items         </p> <p data-bbox="236 1081 783 1480">2. The <u>securities markets</u> of the Exchange established by the <u>Exchange</u> (hereinafter referred to as “the markets of the <u>Exchange</u>”) shall be operated to the effect that the trading of the securities, trading of <u>futures contracts on securities indexes, etc. or options contracts on securities</u> (hereinafter referred to as “trading of securities”) will be conducted in fair and smooth manner, for the public benefit and the protection of the investors.</p> <p data-bbox="236 1518 560 1547">(Location of Head Office)</p> <p data-bbox="236 1552 780 1615">Article 3. The head office of the <u>Exchange</u> shall be located in Osaka City.</p> <p data-bbox="236 1653 568 1682">(Method of Public Notice)</p> <p data-bbox="236 1686 775 1944">Article 4. Public notices of the <u>Exchange</u> shall be electronic public notices; provided, however, that if the <u>Exchange</u> is unable to issue an electronic public notice due to an accident or any other unavoidable reason, public notice of the <u>Exchange</u> shall be issued in the <i>Nihon Keizai Shimbun</i>.</p>	<p data-bbox="825 409 1340 439">CHAPTER I. GENERAL PROVISIONS</p> <p data-bbox="809 477 909 506">(Name)</p> <p data-bbox="809 510 1350 640">Article 1. The name of <u>the Company</u> shall be “Kabushiki Kaisha Osaka Shoken Torihikijo” or “Osaka Securities Exchange Co., Ltd.” in English.</p> <p data-bbox="809 745 936 775">(Purpose)</p> <p data-bbox="809 779 1316 875">Article 2. The purpose of the <u>Company</u> shall be to engage in the following businesses:</p> <p data-bbox="829 880 1359 1043">           (1) Establishment of <u>the financial instruments</u> market of the Exchange            (2) <u>Financial instruments obligation assumption</u>            (3) (Unchanged)         </p> <p data-bbox="809 1081 1356 1447">2. The <u>financial instruments markets</u> of the Exchange established by the <u>Company</u> (hereinafter referred to as “the markets of the <u>Company</u>”) shall be operated to the effect that the trading of the securities <u>or trading of market derivatives</u> (hereinafter referred to as “trading of securities”) will be conducted in fair and smooth manner, for the public benefit and the protection of the investors.</p> <p data-bbox="809 1518 1133 1547">(Location of Head Office)</p> <p data-bbox="809 1552 1350 1615">Article 3. The head office of the <u>Company</u> shall be located in Osaka City.</p> <p data-bbox="809 1653 1139 1682">(Method of Public Notice)</p> <p data-bbox="809 1686 1348 1944">Article 4. Public notices of the <u>Company</u> shall be electronic public notices; provided, however, that if the <u>Company</u> is unable to issue an electronic public notice due to an accident or any other unavoidable reason, public notice of the <u>Company</u> shall be issued in the <i>Nihon Keizai Shimbun</i>.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Organs)  Article 4-2. The <u>Exchange</u> shall have the following organs in addition to the General Meeting of Shareholders and Directors:  (1) Board of Directors;  (2) Statutory Auditors;  (3) Board of Statutory Auditors; and  (4) Accounting Auditors.</p> <p>CHAPTER II. <u>MARKETS OF THE EXCHANGE</u></p> <p>(Matter Pertaining to <u>Securities</u> Markets of the Exchange)  Article 5. On the markets of the <u>Exchange</u>, trading of securities shall be conducted transactions in securities.</p> <p>(Establishment of rules)  Article 6. The <u>Exchange</u> shall prescribe business rules, brokerage agreement standards and other rules in addition to these Articles of Incorporation, for the benefit of fair and smooth trading of securities in the markets of the <u>Exchange</u> and of the protection of investors.</p> <p>(<u>Transaction participants</u>)  Article 7. <u>The transaction participants at the Exchange shall be securities companies or foreign securities companies whose important businesses are trading of securities at the markets of the Exchange.</u></p>	<p>(Organs)  Article 4-2. The <u>Company</u> shall have the following organs in addition to the General Meeting of Shareholders and Directors:  (1) (Unchanged)  (2) (Unchanged)  (3) (Unchanged)  (4) (Unchanged)</p> <p>CHAPTER II. <u>FINANCIAL INSTRUMENTS MARKETS OF THE EXCHANGE</u></p> <p>(Matter Pertaining to <u>Financial Instruments</u> Markets of the Exchange)  Article 5. On the markets of the <u>Company</u>, trading of securities shall be conducted transactions in securities.</p> <p>(Establishment of rules)  Article 6. The <u>Company</u> shall determine business rules, brokerage agreement standards and other rules in addition to these Articles of Incorporation, for the benefit of fair and smooth trading of securities in the markets of the <u>Company</u> and of the protection of investors.</p> <p>Article 7. (Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Duty of compliance by transaction participants with laws and regulations)  Article 8. Transaction participants shall comply with laws and regulations (<u>Securities and Exchange Law</u> (Law No. 25, 1948) and its related laws and regulations; the same shall apply in Articles 9 <u>and 10</u>), actions taken by administrative authorities based on laws and regulations, Articles of Incorporation of the <u>Exchange</u>, business rules, brokerage agreement standards and other rules (hereinafter referred to as “rules”) and fair and equitable principles of transactions.</p>	<p>(Duty of compliance by transaction participants with laws and regulations)  Article 8. Transaction participants shall comply with laws and regulations (<u>Financial Instruments and Exchange Law</u> (Law No. 25, 1948) and its related laws and regulations; the same shall apply in Articles 9, <u>10 and 29-3</u>), actions taken by administrative authorities based on laws and regulations, Articles of Incorporation of the <u>Company</u>, business rules, brokerage agreement standards and other rules (hereinafter referred to as “rules”) and fair and equitable principles of transactions.</p>
<p>(Actions against transaction participants)  Article 9. The <u>Exchange</u> may take actions against the transaction participants who contravene laws and regulations, actions taken by administrative authorities based on laws and regulations or the rules of the <u>Exchange</u> or fair and equitable principles of transactions, by levying a fine on them, ordering for suspension or restriction of their trading of securities in the markets of the <u>Exchange</u> or entrustment of clearing for securities or rescinding the trading qualification, in accordance with the business rules separately prescribed by the <u>Exchange</u>.</p>	<p>(Actions against transaction participants)  Article 9. The <u>Company</u> may take actions against the transaction participants who contravene laws and regulations, actions taken by administrative authorities based on laws and regulations or the rules of the <u>Company</u> or fair and equitable principles of transactions, by levying a fine on them, ordering for suspension or restriction of their trading of securities in the markets of the <u>Company</u> or entrustment of clearing for securities or rescinding the trading qualification, in accordance with the business rules separately prescribed by the <u>Company</u>.</p>
<p>(Duty to submit materials)  Article 10. The <u>Exchange</u>, when examining transaction participant’s observance of laws and regulations, actions taken by administrative authorities based on laws and regulations, the rules of the <u>Exchange</u> or actions taken based thereon, or fair and equitable principles of transactions, or when it is deemed necessary in view of the purpose of the <u>Exchange</u> and management of the markets, may request the transaction participants to submit reports or materials informative concerning their business or assets or to have the personnel of the <u>Exchange</u> investigate the business or assets or accounting books, documents or other materials of the transaction participants.</p>	<p>(Duty to submit materials)  Article 10. The <u>Company</u>, when examining transaction participant’s observance of laws and regulations, actions taken by administrative authorities based on laws and regulations, the rules of the <u>Company</u> or actions taken based thereon, or fair and equitable principles of transactions, or when it is deemed necessary in view of the purpose of the <u>Company</u> and management of the markets, may request the transaction participants to submit reports or materials informative concerning their business or assets or to have the personnel of the <u>Company</u> investigate the business or assets or accounting books, documents or other materials of the transaction participants.</p>

Current Articles of Incorporation	Proposed Amendments
CHAPTER III. SHARES	CHAPTER III. SHARES
<p>(Total Number of Shares Authorized to be Issued)  Article 11. The total number of shares authorized to be issued by the <u>Exchange</u> shall be nine hundred and thirty thousand (930,000) shares.</p>	<p>(Total Number of Shares Authorized to be Issued)  Article 11. The total number of shares authorized to be issued by the <u>Company</u> shall be nine hundred and thirty thousand (930,000) shares.</p>
<p>(Transfer Agent)  Article 13. The <u>Exchange</u> shall appoint a transfer agent.  2. (Omitted)  3. Preparation and retention of the register of shareholders (including the register of beneficial shareholders; hereinafter the same shall apply), the register of stock acquisition rights and the register of lost share certificates of the <u>Exchange</u>, as well as any other business with respect to the register of shareholders, register of stock acquisition rights and the register of lost share certificates of the <u>Exchange</u>, shall be entrusted to the transfer agent and shall not be handled by the <u>Exchange</u>.</p>	<p>(Transfer Agent)  Article 13. The <u>Company</u> shall appoint a transfer agent.  2. (Unchanged)  3. Preparation and retention of the register of shareholders (including the register of beneficial shareholders; hereinafter the same shall apply), the register of stock acquisition rights and the register of lost share certificates of the <u>Company</u>, as well as any other business with respect to the register of shareholders, register of stock acquisition rights and the register of lost share certificates of the <u>Company</u>, shall be entrusted to the transfer agent and shall not be handled by the <u>Company</u>.</p>
<p>(Share Handling Regulations)  Article 14. The business and handling charges pertaining to shares of the <u>Exchange</u> shall be governed by, in addition to law or these Articles of Incorporation, the Share Handling Regulations adopted or amended by resolution of the Board of Directors of the <u>Exchange</u>.</p>	<p>(Share Handling Regulations)  Article 14. The business and handling charges pertaining to shares of the <u>Company</u> shall be governed by, in addition to law or these Articles of Incorporation, the Share Handling Regulations adopted or amended by resolution of the Board of Directors of the <u>Company</u>.</p>
<p>(Acquisition of own shares)  Article 15. The <u>Exchange</u> may, by resolution of the Board of Directors, acquire the <u>Exchange's</u> own shares pursuant to Article 165, Paragraph 2 of the Company Law.</p>	<p>(Acquisition of own shares)  Article 15. The <u>Company</u> may, by resolution of the Board of Directors, acquire the <u>Company's</u> own shares pursuant to Article 165, Paragraph 2 of the Company Law.</p>



Current Articles of Incorporation	Proposed Amendments
<p data-bbox="225 347 794 414" style="text-align: center;">CHAPTER IV. GENERAL MEETING OF SHAREHOLDERS</p> <p data-bbox="225 448 794 515">(Record Date with respect to Ordinary General Meeting of Shareholders)</p> <p data-bbox="225 519 794 683">Article 16-2. The record date with respect to voting rights exercisable at an Ordinary General Meeting of Shareholders of the <u>Exchange</u> shall be March 31 of each year.</p> <p data-bbox="225 716 794 817">(Disclosure of Reference Documents for the General Meeting of Shareholders, etc. via the Internet)</p> <p data-bbox="225 822 794 1321">Article 16-3. The <u>Exchange</u> shall be deemed to have provided the shareholders (including beneficial shareholders; hereinafter the same shall apply) with the necessary information with respect to the matters to be stated or indicated in the reference documents for the General Meeting of Shareholders, the business reports, the unconsolidated financial statements and the consolidated financial statements, by disclosing such information via the Internet in accordance with the ordinance of the Ministry of Justice.</p> <p data-bbox="225 1355 794 1388">(Exercise of Voting Rights by Proxy)</p> <p data-bbox="225 1393 794 1657">Article 19. A shareholder may exercise his/her voting rights by authorizing another shareholder with voting rights to act as his/her proxy. The shareholder or his/her proxy shall submit to the <u>Exchange</u> a document evidencing his/her power of representation for the General Meeting of Shareholders.</p>	<p data-bbox="798 347 1359 414" style="text-align: center;">CHAPTER IV. GENERAL MEETING OF SHAREHOLDERS</p> <p data-bbox="798 448 1359 515">(Record Date with respect to Ordinary General Meeting of Shareholders)</p> <p data-bbox="798 519 1359 683">Article 16-2. The record date with respect to voting rights exercisable at an Ordinary General Meeting of Shareholders of the <u>Company</u> shall be March 31 of each year.</p> <p data-bbox="798 716 1359 817">(Disclosure of Reference Documents for the General Meeting of Shareholders, etc. via the Internet)</p> <p data-bbox="798 822 1359 1288">Article 16-3. The <u>Company</u> shall be deemed to have provided the shareholders (including beneficial shareholders; hereinafter the same shall apply) with the necessary information with respect to the matters to be stated or indicated in the reference documents for the General Meeting of Shareholders, the business reports, the unconsolidated financial statements and the consolidated financial statements, by disclosing such information via the Internet in accordance with the ordinance of the Ministry of Justice.</p> <p data-bbox="798 1355 1359 1388">(Exercise of Voting Rights by Proxy)</p> <p data-bbox="798 1393 1359 1657">Article 19. A shareholder may exercise his/her voting rights by authorizing another shareholder with voting rights to act as his/her proxy. The shareholder or his/her proxy shall submit to the <u>Company</u> a document evidencing his/her power of representation for the General Meeting of Shareholders.</p>
<p data-bbox="225 1680 794 1758" style="text-align: center;">CHAPTER V. DIRECTORS AND BOARD OF DIRECTORS</p> <p data-bbox="225 1792 794 1825">(Number of Directors)</p> <p data-bbox="225 1830 794 1886">Article 21. The number of Directors of the <u>Exchange</u> shall not exceed thirteen (13).</p>	<p data-bbox="798 1680 1359 1758" style="text-align: center;">CHAPTER V. DIRECTORS AND BOARD OF DIRECTORS</p> <p data-bbox="798 1792 1359 1825">(Number of Directors)</p> <p data-bbox="798 1830 1359 1886">Article 21. The number of Directors of the <u>Company</u> shall not exceed thirteen (13).</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Election of Directors)  Article 22. (Omitted)  2. <b>Three (3) or more</b> of Directors shall be elected at the General Meeting of Shareholders from academic experts who are not directors or employees of the transaction participants or not engaged in business directly related with <u>securities business</u>.  3. (Omitted)  4. (Omitted)  5. The Directors as stipulated in the preceding Paragraph 2 may not be engaged in business directly related with <u>securities</u> business during his/ her term of office.</p>	<p>(Election of Directors)  Article 22. (Unchanged)  2. <b>A few</b> of Directors shall be elected at the General Meeting of Shareholders from academic experts who are not directors or employees of the transaction participants or not engaged in business directly related with <u>financial instruments business</u>.  3. (Unchanged)  4. (Unchanged)  5. The Directors as stipulated in the preceding Paragraph 2 may not be engaged in business directly related with <u>financial instruments</u> business during his/ her term of office.</p>
<p>(Representative Directors)  Article 24. (Omitted)  2. Each Representative Director shall represent the <u>Exchange</u> and execute the duties in accordance with the resolutions of the Board of Directors.</p>	<p>(Representative Directors)  Article 24. (Unchanged)  2. Each Representative Director shall represent the <u>Company</u> and execute the duties in accordance with the resolutions of the Board of Directors.</p>
<p>(Directors)  Article 25. (Omitted)  2. Directors engaged in regular business of the <u>Exchange</u> may not be engaged in <u>securities</u> business during his/her term of office.  3. (Omitted)</p>	<p>(Directors)  Article 25. (Unchanged)  2. Directors engaged in regular business of the <u>Company</u> may not be engaged in <u>financial instruments</u> business during his/her term of office.  3. (Unchanged)</p>
<p>(Method of resolution)  Article 27. (Omitted)  2. Resolutions of matters related to the basic management policy of the <u>Exchange</u> shall be adopted by more than two thirds (2/3) of the Directors present.</p>	<p>(Method of resolution)  Article 27. (Unchanged)  2. Resolutions of matters related to the basic management policy of the <u>Company</u> shall be adopted by more than two thirds (2/3) of the Directors present.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Omission of the Procedure for Adopting Resolutions of the Board of Directors)  Article 27-2. When the requirements provided for in Article 370 of the Company Law are satisfied, resolutions of the Board of Directors of the <u>Exchange</u> shall be deemed to have been adopted.</p>	<p>(Omission of the Procedure for Adopting Resolutions of the Board of Directors)  Article 27-2. When the requirements provided for in Article 370 of the Company Law are satisfied, resolutions of the Board of Directors of the <u>Company</u> shall be deemed to have been adopted.</p>
<p>(Compensation etc.)  Article 29. The amount of compensation, bonuses and any other proprietary benefits to be granted to Directors by the <u>Exchange</u> in consideration of their performance of duties (hereinafter referred to as “compensation etc.”) shall be determined by resolution of the General Meeting of Shareholders.</p>	<p>(Compensation etc.)  Article 29. The amount of compensation, bonuses and any other proprietary benefits to be granted to Directors by the <u>Company</u> in consideration of their performance of duties (hereinafter referred to as “compensation etc.”) shall be determined by resolution of the General Meeting of Shareholders.</p>
<p>(Limitation of Liabilities of Directors)  Article 29-2. Pursuant to the provisions of Article 426, Paragraph 1 of the Company Law, the <u>Exchange</u> may release Directors (including former Directors) from liabilities for damages arising from negligence in the performance of their duties, to the extent permitted by law, in accordance with resolution of the Board of Directors of the <u>Exchange</u>.</p> <p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, the <u>Exchange</u> may enter into an agreement with each of the Outside Directors to the effect that any liability for damages of such Outside Director arising from negligence in the performance of his/her duties shall be limited; provided, however, the limit of the liability shall be a prescribed amount that is one (1) million yen or more or an amount set by law, whichever is the greater.</p>	<p>(Limitation of Liabilities of Directors)  Article 29-2. Pursuant to the provisions of Article 426, Paragraph 1 of the Company Law, the <u>Company</u> may release Directors (including former Directors) from liabilities for damages arising from negligence in the performance of their duties, to the extent permitted by law, in accordance with resolution of the Board of Directors of the <u>Company</u>.</p> <p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, the <u>Company</u> may enter into an agreement with each of the Outside Directors to the effect that any liability for damages of such Outside Director arising from negligence in the performance of his/her duties shall be limited; provided, however, the limit of the liability shall be a prescribed amount that is one (1) million yen or more or an amount set by law, whichever is the greater.</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">(New)</p> <p style="text-align: center;">CHAPTER VI. STATUTORY AUDITORS AND BOARD OF STATUTORY AUDITORS</p> <p>(Number of Statutory Auditors) Article 30. The number of Statutory Auditors of the <u>Exchange</u> shall be three (3).</p> <p>(Full-time Statutory Auditors) Article 33. (Omitted) 2. Full-time Statutory Auditor may not be engaged in <u>securities</u> business during his/ her term of office. 3. (Omitted)</p> <p>(Limitation of Liabilities of Statutory Auditors) Article 37-2. Pursuant to the provisions of Article 426, Paragraph 1 of the Company Law, the <u>Exchange</u> may release Statutory Auditors (including former Statutory Auditors) from liabilities for damages arising from negligence in the performance of their duties, to the extent permitted by law, in accordance with resolution of the Board of Directors of the <u>Exchange</u>.</p>	<p style="text-align: center;">(Self-Regulation Committee) <u>Article 29-3. The Company shall establish Self-Regulation Committee in accordance with laws and regulations.</u> <u>2. The Self-Regulation Committee shall make decisions on self-regulation business of the Company.</u> <u>3. The Self-Regulation Committee shall consist of three (3) or more committee members elected from the Directors of the Company. The majority of the committee members shall be Outside Directors.</u></p> <p style="text-align: center;">CHAPTER VI. STATUTORY AUDITORS AND BOARD OF STATUTORY AUDITORS</p> <p>(Number of Statutory Auditors) Article 30. The number of Statutory Auditors of the <u>Company</u> shall be three (3).</p> <p>(Full-time Statutory Auditors) Article 33. (Unchanged) 2. Full-time Statutory Auditor may not be engaged in <u>financial instruments</u> business during his/ her term of office. 3. (Unchanged)</p> <p>(Limitation of Liabilities of Statutory Auditors) Article 37-2. Pursuant to the provisions of Article 426, Paragraph 1 of the Company Law, the <u>Company</u> may release Statutory Auditors (including former Statutory Auditors) from liabilities for damages arising from negligence in the performance of their duties, to the extent permitted by law, in accordance with resolution of the Board of Directors of the <u>Company</u>.</p>

Current Articles of Incorporation	Proposed Amendments
<p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, the <u>Exchange</u> may enter into an agreement with each of the Outside Statutory Auditors to the effect that any liability for damages of such Outside Statutory Auditor arising from negligence in the performance of his/her duties shall be limited; provided, however, that the limit of the liability shall be a prescribed amount of one million yen or more or an amount set by law, whichever is the greater.</p>	<p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, the <u>Company</u> may enter into an agreement with each of the Outside Statutory Auditors to the effect that any liability for damages of such Outside Statutory Auditor arising from negligence in the performance of his/her duties shall be limited; provided, however, that the limit of the liability shall be a prescribed amount of one million yen or more or an amount set by law, whichever is the greater.</p>
<p style="text-align: center;">CHAPTER VII. ADVISORY COMMITTEES</p>	<p style="text-align: center;">CHAPTER VII. ADVISORY COMMITTEES</p>
<p style="text-align: center;">(New)</p> <p>Article 37-3 The <u>Exchange</u> may establish advisory committees.</p> <p>2. The advisory committees may express opinions to the Board of Directors on important matters concerning the management of the <u>Exchange</u>, at inquiries of the Board of Directors.</p> <p>3. (Omitted)</p>	<p style="text-align: center;">(<u>Advisory Committee</u>)</p> <p>Article 37-3 The <u>Company</u> may establish advisory committees.</p> <p>2. The advisory committees may express opinions to the Board of Directors on important matters concerning the management of the <u>Company</u>, at inquiries of the Board of Directors.</p> <p>3. (Unchanged)</p>
<p style="text-align: center;">CHAPTER VIII. ACCOUNTS</p>	<p style="text-align: center;">CHAPTER VIII. ACCOUNTS</p>
<p>(Business Year)</p> <p>Article 38. The business year of the <u>Exchange</u> shall commence on April 1 of each year and shall end on March 31 of the following year.</p>	<p>(Business Year)</p> <p>Article 38. The business year of the <u>Company</u> shall commence on April 1 of each year and shall end on March 31 of the following year.</p>
<p>(Budget)</p> <p>Article 39. The budget for the business year as stipulated in the preceding article shall be resolved at a meeting of the Board of Directors by two-thirds (2/3) or more of the Directors present, <u>ten (10) days</u> before the beginning of the said business year.</p>	<p>(Budget)</p> <p>Article 39. The budget for the business year as stipulated in the preceding article shall be resolved at a meeting of the Board of Directors by two-thirds (2/3) or more of the Directors present, before the beginning of the said business year.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Distribution of Surplus)  Article 40. (Omitted)  2. (Omitted)  3. If year-end dividends or interim dividends in the preceding two paragraphs are not claimed within three (3) years from the date of commencement of payment thereof, the <u>Exchange</u> shall be relieved of the obligation to make such payment.</p>	<p>(Distribution of Surplus)  Article 40. (Unchanged)  2. (Unchanged)  3. If year-end dividends or interim dividends in the preceding two paragraphs are not claimed within three (3) years from the date of commencement of payment thereof, the <u>Company</u> shall be relieved of the obligation to make such payment.</p>
<p>Supplementary provisions  (New)    (New)                (New)</p>	<p>Supplementary provisions  <u>1. These Articles of Incorporation shall be enforced on XXXXX.</u>  <u>2. The title of Chapter 2, the revisions of Articles 7 and 33, and the revisions related to the enforcement of the Financial Instruments and Exchange Law among the revisions of Articles 2, 5, 8, 22 and 25 shall take effect on the date of the enforcement of the Financial Instruments and Exchange Law.</u>  <u>3. The title of Chapter 5 and the revisions of Article 29, Item 3 shall take effect on a date determined by the Board of Directors falling within one month from the date of the enforcement of the Financial Instruments and Exchange Law.</u></p>

**Proposal No. 3: Election of 1 Substitute Statutory Auditor**

To prepare for cases where the number of Statutory Auditors falls below the number stipulated by law, we propose that 1 Substitute Statutory Auditor be preliminarily elected.

The resolution of the election in this proposal shall be effective until the beginning of the Ordinary General Meeting of Shareholders to be held with respect to the last fiscal year ending within 2 years from the said resolution, in accordance with the provisions stipulated in Article 31, Paragraph 2 of the Articles of Incorporation of the Company.

The resolved election in this proposal may be rescinded by resolution of the Board of Directors only if such resolution is made before the elected person assumes office, and after the consent of the Board of Statutory Auditors is obtained.

The Board of Statutory Auditors has agreed to this proposal.

The candidate for the Substitute Statutory Auditor is as follows:

Name (Date of Birth)	Brief Biography and Representation of Other Companies	Number of Shares of the Company Held
Shunsuke Matsui (January 13, 1961)	April, 1993 Registered as Attorney at Law (Osaka Bar Association) (To the present) April, 1998 Established Shunsuke Matsui Law Office September, 2003 Established Iwaki Matsui Law Office April 2004 Conciliation commissioner of Osaka Summary Court (To the present)	0 shares

Notes:

1. No conflict of interest exists between the Company and the above candidate.
2. Mr. Shunsuke Matsui is a candidate for a Substitute Outside Statutory Auditor.
3. Reasons for electing the above as candidate to become a Substitute Outside Statutory Auditor:  
Mr. Shunsuke Matsui is expected to reflect his considerable insight with respect to corporate legal affairs into the audit of the Company from his professional perspective as a lawyer.
4. Basis for concluding that the candidate will be able to perform the duties of a Substitute Outside Statutory Auditor:  
Although Mr. Shunsuke Matsui has not been involved in the management of the Company, he is highly knowledgeable with respect to corporate legal affairs from his professional perspective as lawyer and is therefore expected to be able to perform the duties of the Substitute Outside Statutory Auditor properly.
5. Conclusion of liability limitation agreement:  
The Company will conclude a liability limitation agreement with Mr. Shunsuke Matsui upon his assumption of office as a Substitute Outside Statutory Auditor to limit his liability in the office in accordance with the provisions of the Company Law.  
Under this agreement, the Substitute Outside Statutory Auditor shall bear a liability up to a limit of 1 million yen or an amount set by law, whichever is greater.