

(English Summary)

To Our Shareholders

Securities Code: 8697

May 30, 2008

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

Notice of the 7th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 7th 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 19, 2008.

1. **Date & Time:** Friday, June 20, 2008 at 10:00 a.m.
2. **Place:** Kitahama Forum, OSE Building 3rd 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 7th
Fiscal Year (From April 1, 2007 to March 31, 2008)

[Matters to be resolved]

Proposal No. 1: Distribution of Surplus

Proposal No. 2: Election of 11 Directors

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 19, 2008.

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 19, 2008.

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 an 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 etc., depending on the development of financial results, we are determined to return the profit positively.

The Company has so far retained 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 have distributed dividends from surplus at a dividend payout ratio of about 40%. We believe that we must focus on continuing our dividend payment on a more stable basis in consideration of the income and profit trends after the listing. For the foreseeable future, we will distribute dividends from surplus at a dividend payout ratio of about 40% and a DOE (dividend on equity) ratio of about 4% (Ref. Note) at minimum.

Accordingly, we propose a year-end dividend payment of 5,000 yen per share. As a result, the total annual dividend payment, including the interim dividend of 3,000 yen, amounts to 8,000 yen per share. This is an increase of 1,500 yen compared with the previous fiscal year.

Note: The ratio is calculated based on the amount obtained by subtracting the default compensation reserve for cash transactions, etc. and the default compensation reserve for futures trading, etc. from net assets.

Matters related to this proposal:

- (1) Kind of dividend property and total book value
Cash 1,350,000,000 yen
- (2) Allocation of the dividend property to shareholders
5,000 yen per share
- (3) Effective date of distribution of surplus
June 23, 2008

Proposal No. 2: Election of 11 Directors

The term of office for 11 Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose the election of 11 Directors.

The candidates for Directors are as follows:

No.	Name (Date of Birth)	Brief Biography, Position, Assignment and Representation of Other Companies etc.		Number of Shares of the Company Held
1	Michio Yoneda (June 14, 1949)	April, 1973 July, 1995 May, 1998 April, 2000 April, 2001 October, 2002 December, 2003 June, 2004 (Assignment)	Joined The Bank of Japan General Manager, Akita Branch, ditto General Manager, Sapporo Branch, ditto Executive Director, Osaka Securities Exchange (Membership Org.) Executive Director, the Company Senior Executive Director, ditto President & CEO, ditto (To the present) Director, Osaka Securities Finance Company Ltd. (To the present) Director, Osaka Small and Medium Business Investment & Consultation Co., Ltd. (To the present) General management and Internal Inspection Office	40 shares
2	Shigeo Ojima (December 11, 1947)	April, 1970 April, 1998 April, 2001 June, 2002 October, 2002 June, 2004 (Assignment)	Joined Osaka Securities Exchange (Membership Org.) General Manager, Personnel Dept., ditto Executive Officer, the Company Director, ditto Executive Director, ditto Representative Executive Director, ditto (To the present) Corporate Management and Market Operations	30 shares

No.	Name (Date of Birth)	Brief Biography, Position, Assignment and Representation of Other Companies etc.		Number of Shares of the Company Held
3	Motoharu Fujikura (August 19, 1947)	July, 1971 July, 1987 June, 1989 June, 1991 May, 1995 July, 1996 July, 1997 July, 2000 October, 2005 June, 2006 (Assignment)	Joined Ministry of Finance (MOF) Councillor, Cabinet Secretariat Director, Investment Trust and Management Office, Securities Business Division, Securities Bureau, MOF Director, International Capital Division, International Finance Bureau, ditto Director, Coordination Division, Customs and Tariff Bureau, ditto Director-General, Yokohama Customs Deputy Commissioner, Commissioner's Secretariat, National Tax Agency Director, Tokyo Office, International Finance Corporation Senior Advisor to the President, the Company Executive Director, the Company (To the present) Self Regulation	11 shares
4	Kazutoshi Aritomi (October 29, 1947)	April, 1974 April, 1991 April, 1994 April, 1996 July, 1999 September, 2000 April, 2002 May, 2003 April, 2006 June, 2006 (Assignment)	Joined Nippon Telegraph and Telephone Public Corporation Executive Manager, Financial Network Section, 1 st Financial Systems Division, Financial Systems Sector, NTT Data Communications Systems Corporation Deputy Senior Executive Manager, 1 st Financial Systems Division, Financial Systems Sector, ditto Senior Executive Manager, Chugoku Regional Headquarters, ditto Senior Executive Manager, Purchasing Dept., ditto Senior Executive Manager, Card Business Division, Information Network Business Sector, ditto Director, NTT Data FIT Corporation President and CEO, NTT Data Chugoku Tecsys Corporation Executive Officer, the Company Director, ditto (To the present) Information Technology	7 shares

No.	Name (Date of Birth)	Brief Biography, Position, Assignment and Representation of Other Companies etc.	Number of Shares of the Company Held
5	Yoji Arakawa (January 3, 1935)	<p>April, 1959 Assumed office as Prosecutor</p> <p>December, 1990 Chief Prosecutor, Kobe District Public Prosecutors Office</p> <p>June, 1992 Chief Prosecutor, Osaka District Public Prosecutors Office</p> <p>February, 1995 Superintendent Prosecutor, Takamatsu High Public Prosecutors Office</p> <p>May, 1996 Superintendent Prosecutor, Osaka High Public Prosecutors Office</p> <p>February, 1998 Registered as Attorney at Law (Osaka Bar Association) (To the present)</p> <p>July, 2000 Director to Represent Public Interest, Osaka Securities Exchange (Membership Org.)</p> <p>April, 2001 Director, the Company (To the present)</p>	-
6	Tsutomu Okuda (October 14, 1939)	<p>April, 1964 Joined The Daimaru Inc.</p> <p>September, 1991 Representative Director, Daimaru Australia Pty. Ltd.</p> <p>May, 1995 Director, The Daimaru Inc.</p> <p>May, 1996 Managing Director, ditto</p> <p>March, 1997 President, ditto</p> <p>May, 2003 Chairman and CEO, ditto</p> <p>June, 2006 Director, the Company (To the present)</p> <p>September, 2007 President and CEO, J. FRONT RETAILING Co., Ltd. (To the present)</p> <p>Chairman, The Daimaru, Inc. (To the present)</p> <p>< Representation of Other Companies etc. ></p> <p>President and CEO, J. FRONT RETAILING Co., Ltd.</p> <p>Chairman, The Daimaru Inc.</p>	-
7	Yuko Kawamoto (May 31, 1958)	<p>April, 1982 Joined Bank of Tokyo, Ltd.</p> <p>September, 1988 Joined Tokyo Office, McKinsey & Company</p> <p>April, 2004 Professor, Graduate School of Finance, Accounting & Law, Waseda University (To the present)</p> <p>June, 2004 Director, the Company (To the present)</p>	-

No.	Name (Date of Birth)	Brief Biography, Position, Assignment and Representation of Other Companies etc.	Number of Shares of the Company Held
8	Izumi Kobayashi (January 18, 1959)	<p>June, 1985 Joined Merrill Lynch Futures Japan Co., Ltd.</p> <p>May, 1998 Director of Operations, Merrill Lynch Japan Inc.</p> <p>November, 2000 First Vice President and Chief Administrative Officer, ditto</p> <p>March, 2001 First Vice President and Chief Administrative Officer, Corporate and Institutional Client Group, Merrill Lynch Japan Securities Co., Ltd.</p> <p>December, 2001 President and Representative Director, ditto (To the present)</p> <p>June, 2002 Director, the Company (To the present)</p> <p>April, 2007 Vice Chairman, KEIZAI DOYUKAI (Japan Association of Corporate Executives) (To the present)</p> <p>< Representation of Other Companies etc. ></p> <p>President and Representative Director, Merrill Lynch Japan Securities Co., Ltd.</p> <p>Vice Chairman, KEIZAI DOYUKAI (Japan Association of Corporate Executives)</p>	-
9	Taichi Sakaiya (Autonym: Kotaro Ikeguchi) (July 13, 1935)	<p>April, 1960 Joined Ministry of International Trade and Industry</p> <p>October, 1978 Started as author and economist</p> <p>July, 1998 Minister of State for Economic Planning</p> <p>December, 2000 Special Advisor to the Prime Minister</p> <p>April, 2001 Director, the Company (To the present)</p> <p>April, 2002 Professor of the University of Tokyo, Research Center for Advanced Science and Technology</p> <p>April, 2004 Professor of Waseda University, Graduate School of Finance, Accounting & Law</p> <p>April, 2006 Professor (Special appointment), Waseda University</p> <p>< Representation of Other Companies etc. ></p> <p>Representative Director, Taichi-Sakaiya Office Co., Ltd.</p> <p>Representative Director, Taichi-Sakaiya Laboratory Co., Ltd.</p>	-

No.	Name (Date of Birth)	Brief Biography, Position, Assignment and Representation of Other Companies etc.	Number of Shares of the Company Held
10	Manabu Matsumoto (June 19, 1950)	<p>April, 1975 Joined Nomura Securities Co., Ltd.</p> <p>June, 1998 Director, ditto</p> <p>June, 2001 Managing Director, ditto</p> <p>June, 2003 Senior Managing Director, Nomura Holdings Inc.</p> <p> Executive Managing Director, Nomura Securities Co., Ltd.</p> <p>April, 2005 Executive Vice President, ditto</p> <p>June, 2005 Director, the Company (To the present)</p> <p>April, 2008 Advisor, Nomura Securities Co., Ltd. (To the present)</p>	-
11	Shigeru Morinaka (November 29, 1934)	<p>March, 1952 Joined The Hikari Securities Co., Ltd.</p> <p>November, 1977 Director, ditto</p> <p>February, 1978 Managing Director, ditto</p> <p>November, 1980 Representative Director and Vice President, ditto</p> <p>November, 1982 Representative Director and President, ditto</p> <p>June, 2002 Director, the Company (To the present)</p> <p>June, 2003 Representative Director and Chairman, The Hikari Securities Co., Ltd. (To the present)</p> <p>July, 2004 Chairman, Osaka District, Japan Securities Dealers Association</p> <p>< Representation of Other Companies etc. ></p> <p>Representative Director and Chairman, The Hikari Securities Co., Ltd.</p>	-

Notes:

- No conflict of interest exists between the Company and the above candidates.
- Mr. Yoji Arakawa, Mr. Tsutomu Okuda, Ms. Yuko Kawamoto, Ms. Izumi Kobayashi, Mr. Taichi Sakaiya, Mr. Manabu Matsumoto, and Mr. Shigeru Morinaka are candidates for Outside Directors.
- Reasons for electing the above as candidates for Outside Directors:
Mr. Yoji Arakawa is expected to reflect his considerable insight with respect to corporate legal affairs into the management of the Company from his professional perspective as a lawyer.
Mr. Tsutomu Okuda is expected to reflect his considerable experience and insight into the management of the Company as a corporate executive.
Ms. Yuko Kawamoto is expected to reflect her considerable insight with respect to financial business into the management of the Company from her professional perspective as an academic expert.
Ms. Izumi Kobayashi is expected to reflect her considerable experience and insight into the management of the Company as an executive of a securities firm.
Mr. Taichi Sakaiya is expected to reflect his considerable insight with respect to economy as a whole into the management of the Company from his professional perspective as an academic expert.
Mr. Manabu Matsumoto is expected to reflect his considerable experience and insight into the management of the Company as an executive of a securities firm.
Mr. Shigeru Morinaka is expected to reflect his considerable experience and insight into the management of the Company as an executive of a securities firm.
- Basis for concluding that the candidates who have no past experience in company management except as Outside Directors or Outside Statutory Auditors will be able to perform the duties of Directors:
Mr. Yoji Arakawa has considerable experience and insight with respect to corporate legal affairs as a lawyer.
Ms. Yuko Kawamoto has considerable expertise and insight as a university professor.
- Any fact of violation of laws, regulations, or the articles of incorporation of companies, or any other unfair execution of duties, by the candidates for Outside Directors while serving as Directors of other

companies (if they have served as such) in the past five-year period:

In April 2008, while Mr. Manabu Matsumoto was a Senior Managing Executive Officer (Representative Executive Officer stipulated in the Companies Act) at Nomura Securities Co., Ltd., a former employee of the corporate information division of that firm was arrested for alleged insider trading. Mr. Matsumoto was not responsible for the said division and was not aware of the said fact. He is considered to have been always aware of the importance of legal compliance and to have exercised his duties as an executive officer for the proper operation of the business for which he was responsible.

6. Conclusion of the liability limitation agreement:

The Company has concluded a liability limitation agreement with Mr. Yoji Arakawa, Mr. Tsutomu Okuda, Ms. Yuko Kawamoto, Ms. Izumi Kobayashi, Mr. Taichi Sakaiya, Mr. Manabu Matsumoto, and Mr. Shigeru Morinaka pursuant to Article 423, Paragraph 1 of the Companies Act. We will continue the agreement with each of them upon approval of their election as Outside Directors.

The liability limit under this agreement is one million yen or a minimum amount as set by law, whichever is greater.

7. The number of years in office of those candidates as Outside Directors at the conclusion of this Ordinary General Meeting of Shareholders is seven years and three months for Mr. Yoji Arakawa, two years for Mr. Tsutomu Okuda, four years for Ms. Yuko Kawamoto, six years for Ms. Izumi Kobayashi, seven years and three months for Mr. Taichi Sakaiya, three years for Mr. Manabu Matsumoto, and six years for Mr. Shigeru Morinaka.