

## Guidelines for Sector Classifications

Enacted Mar. 16, 1993 (Enforced Jul. 5, 1993)

Amended Dec. 22, 1997; Jun. 2, 2003; Apr. 3, 2006

### (Purpose)

Article 1. This guideline shall prescribe the necessary matters regarding the industry classifications conducted by the Securities Identification Code Committee (hereinafter referred to as "SICC").

### (Composition of classified items)

Article 2. The sector classification items (hereinafter referred to as "classification items") shall consist of two levels of main classification items and sub classification items.

2 The classification items shall be as specified in the attached table.

3 The scope of businesses included in each of the sub classification items shall, in principle, be based on the classification by the "Japan Standard Industrial Classification" established by the Ministry of Internal Affairs and Communications.

### (Entities subject to classification)

Article 3. Classification by sector shall be conducted for corporations recognized by the SICC that publish securities reports or equivalent financial statements (hereinafter referred to as "Target Entity(s)").

2 When determining the type of business to which a subject belongs (including determination of changes; hereinafter the same shall apply in this Article), the determination shall be based on the main business as set forth in the following Article.

### (Main business of Target Entity)

Article 4. In principle, the main business of the Target Entity and the consolidated subsidiaries of the Target Entity (hereinafter referred to as the "Target Entity, etc.") shall be the sub classification item that has the largest total amount of sales of the businesses of Target Entity, etc. under the main classification item that has the largest total amount of sales of said businesses.

2 If the Target Entity, etc. is engaged in the business of purchasing and wholesaling products, and the business falls under any of the following items, the Target Entity, etc. shall, in principle, be deemed to be engaged in the business of manufacturing products for wholesaling when determining the principal business as described in

the preceding paragraph.

- (1) When the Target Entity invests in or lends funds or production equipment to the purchaser of the relevant goods.
- (2) When the Target Entity, etc. conducts research, planning, etc. on the relevant goods and has concluded a manufacturing contract, etc. with the purchaser of the goods.
- 3 The provision of the preceding paragraph shall apply mutatis mutandis to the case where the Target Entity, etc. is engaged in the business of purchasing and wholesaling products that have been caught, mined, etc. by other entities.

(Sector Determination Document)

Article 5. The material used to determine the sector shall be the annual securities report or equivalent financial statements. If determination cannot be made solely on the basis of the securities report or equivalent financial statements, the SICC may take into account publicly available materials submitted by the Target Entity to the SICC or other materials that can be made public and that the SICC deems appropriate.

(Initial Determination Criteria)

Article 6. If the sector to which the Target Entity belongs is being determined for the first time, determination shall be made based on the main business of the most recent three (3) consolidated fiscal years (meaning the consolidated fiscal years that end within three years prior to the last day of the most recent consolidated fiscal year; the same applies hereinafter) and each of the next two (2) consolidated fiscal years (meaning the consolidated fiscal years beginning two years after the end of the most recent consolidated fiscal year). In this case, the main business for each of the next two (2) consolidated fiscal years shall be based on the profit plan prepared by the Target Entity.

- 2 Notwithstanding the provisions of the preceding paragraph, in cases where the number of years since establishment is short at the time of determination, etc., the applicable period may be shortened.
- 3 In the case where it is deemed inappropriate in Paragraph 1 to determine the type of business to which the subject belongs based solely on the main business, it may be determined by taking into consideration the profits, facilities, number of employees, etc. of each business.

(Change Criteria)

Article 7. In principle, a change in the sector classification to which the Target Entity belongs shall be made when any of the following items applies.

- (1) If the amount of sales of each business of the Target Entity's most recent main

business (hereinafter referred to as the "Most Recent Main Business") amount of sales of each business included in the Target Entity's main business in the most recent consolidated fiscal year are two (2) times or more than the total amount of sales of each business in the sub classification to which the Target Entity currently belongs in each of the two (2) most recent consolidated fiscal years (except in cases where the ratio of sales of the most recent major business to total amount of sales is 20% or less in either of the two (2) years; the same shall apply mutatis mutandis in the next item.).

(2) When the total amount of sales of each business included in the same classification in the most recent consolidated fiscal year of the Target Entity is more than twice the total amount of sales of each business included in the classification to which the Target Entity currently belongs in each of the two (2) most recent consolidated fiscal years, and when the total amount of sales of each business included in the other classification is greater than the total amount of sales of the Target Entity (excluding cases falling under the preceding item).

(3) When the classification items are changed due to an amendment to the "Japan Standard Industrial Classification" or such other reasons

2 In the case where the Target Entity's sector classification is changed due to falling under the first or second item of the preceding paragraph, the sector classification shall be determined, in principle, according to the following:

(1) For cases falling under Paragraph 1, Item (1)

Most Recent Main Business

(2) For cases falling under Paragraph 1, Item (2)

The same sub classification item specified in the same item.

3 In the case where the Target Entity, etc. merges with another party, or receives a transfer of business from another party or transfers a business to another party, etc., in principle, the sales amount obtained by adding or subtracting the combined sales amount of the merging parties or the sales amount of the business transferred or assigned to the Target Entity, etc. to the sales amount of the relevant Target Entity, etc., shall be included in the amount of sales as specified in the preceding two (2) paragraphs (excluding Paragraph 1, Item (3)) may be applied to change the sector classification to which the Target Entity, etc. belongs.

(4) The provisions of the preceding paragraphs shall not apply when the SICC deems it necessary for the public interest or investor protection. In such cases, the SICC may make a decision to change (including a decision not to change) the sector classification.

(Date of Change)

Article 8. The date of change in the case of changing the sector classification pursuant to the preceding Article shall be October 1 of the year if the fiscal year of the Target Entity subject to the change is from January to March, April 1 of the following year if the fiscal year is from April to September, or October 1 of the following year if the fiscal year is from October to December (if the date of change falls on a holiday, it shall be brought forward sequentially).

(Cases for which No Sector Classification Shall be Determined)

Article 9. If the Target Entity is a foreign company and it is deemed inappropriate to determine the sector classification to which the Target Entity belongs in accordance with this guideline, the sector classification shall not be determined.

(Application to Cases where the Target Entity is Not a Company that Should Prepare Consolidated Financial Statements)

Article 10. For the purpose of application of the provisions of this guideline to cases where the Target Entity is not a company required to prepare consolidated financial statements, the term "consolidated accounting year" shall be deemed to be replaced with "fiscal year".

Supplementary Provisions

This revised guideline shall go into effect on April 3, 2006.