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To whom it may concern:

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**Renewal of Countermeasures to Large-Scale Acquisitions of
Micronics Japan Shares (Takeover Defense Measures)**

Micronics Japan Co., Ltd. (the “Company”) introduced a plan for countermeasures to large-scale acquisitions of the shares in the Company (the “Former Plan”) by a resolution of the board of directors on November 18, 2008 and obtained shareholder approval at the ordinary general meeting of shareholders of the Company held on December 19, 2008 (the “38th Ordinary General Meeting of Shareholders”). The effective period of the Former Plan expires at the conclusion of the ordinary general meeting of shareholders for the last fiscal year ending within three years after the conclusion of the 38th Ordinary General Meeting of Shareholders, and the Former Plan will become invalid at the conclusion of the 41st ordinary general meeting of shareholders of the Company to be held on December 21, 2011 (the “41st Ordinary General Meeting of Shareholders”).

The Company announces that, due to the Former Plan becoming invalid, the Company’s board of directors determined at the meeting held on November 18, 2011 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 Companies Act; the “Basic Policy”) and to partially revise the Former Plan and introduce a new plan (the introduction is to be referred to as the “Renewal,” and the renewed plan is to be referred to as the “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(b) of the Enforcement Regulations of the Companies Act) under the Basic Policy. The Renewal will be subject to approval by the shareholders at the 41st Ordinary General Meeting of Shareholders. At the board of directors meeting described above, eight directors in total including two outside directors

were in attendance and unanimously approved the Renewal and all of the Company's statutory auditors including outside statutory auditors were in attendance and did not raise any objections in respect of the Renewal.

Major amendments to the Former Plan through the Renewal are:

- (i) arrangement of information that the Company requests the Acquirer (as defined below) to provide; and
- (ii) arrangement of an outline of the Stock Acquisition Rights (as defined below) (including exercise conditions).

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

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who fully understand the details of the Company's financial and business affairs and the source of the Company's corporate value and who will make it possible to continually and persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders.

The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a change of control of the Company. Also, the Company will not reject a large-scale acquisition of the shares in the Company if it will contribute to the corporate value of the Company and, in turn, the common interests of its shareholders.

Nonetheless, there are some forms of large-scale acquisition of shares that benefit neither the corporate value of the target company nor the common interests of its shareholders including those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders, those with the potential to substantially coerce shareholders into selling their shares; those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the details of the large-scale acquisition, or for the target company's board of directors to make an alternative proposal and those that require the target company to discuss or negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

Particularly, it is necessary and essential for the Company to (i) maintain the Company's electronic measurement technology capability and product range by maintaining and enhancing product development know-how and technological strength of individual

employees, (ii) maintain the production facilities and systems that enable the Company to flexibly comply with the clients' needs, (iii) strengthen the research and development capability by organically consolidating the Company's group, and (iv) preserve relationships of mutual trust with the clients purchasing the products and suppliers or contractors of raw materials so that the Company may maintain its technical strength and production power superior to other companies and ensure and enhance its corporate value. Unless the acquirer of a proposed large-scale acquisition of the shares in the Company understands the source of the corporate value of the Company as well as the details of financial and business affairs of the Company and would ensure and enhance these elements over the medium-to-long term, the corporate value of the Company and, in turn, the common interests of its shareholders would be harmed.

The Company believes that persons who would make a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate as persons that control decisions on the Company's financial and business policies. The Company believes that it is necessary to ensure the corporate value of the Company and, in turn, the common interests of its shareholders by taking necessary and reasonable countermeasures against a large-scale acquisition by such persons.

II. The Source of the Company's Corporate Value and Special Measures to Realize the Basic Policy

1. The Source of the Company's Corporate Value

The Company commenced its business of maintenance of electronic equipment by utilizing its electronic measurement technology in 1970. Along with the expansion of the IT industry, the Company has developed, manufactured and sold inspection and measuring equipment relating to semiconductors since 1973 and relating to liquid crystal displays (LCD) since 1985. The Company set its management policy as "utilizing accumulated technology and production know-how to provide customers with maximum benefit," and has especially established a solid position as a worldwide leading company of the "Probe Card" in the semiconductor field and the "LCD Prober and Probe Unit" in the flat panel display (FPD) field based on the electronic measurement technology capabilities, production power and other strengths accumulated over the years.

The Company believes that the source of the corporate value of the Company is as follows:

- (i) excellent electronic measurement technology capabilities and product range

- resulting from the Company's consistent efforts to develop employees and improve and develop techniques since its formation;
- (ii) production facilities and systems that enable the Company to flexibly and quickly comply with the various needs of semiconductor manufacturers or LCD panel manufacturers;
 - (iii) strengthening of research and development capabilities and maintenance systems by organically consolidating the Company's group; and
 - (iv) relationships of mutual trust with the buyers of the Company's products and suppliers of raw materials.

Specifically, (i) since its formation, the Company has achieved excellent electronic measurement technology capabilities and a product range that are highly respected by semiconductor manufacturers and LCD panel manufacturers around the world by educating each employee on know-how, technical strength and safety management of product development in the medium-to-long term and by continuously working at the development of new technologies and new products. In the field of cutting-edge technology such as semiconductors and FPDs where technical innovation is rapidly growing at all times and the manufacturers' needs and market are changing rapidly, it is necessary and essential for the Company to continuously secure and develop each employee with product development know-how and technical strength so that the Company may keep its electronic measurement technology capabilities and production range superior to other companies. The Company attempts to secure and develop human resources from a medium-to-long term viewpoint so that each employee may acquire such know-how and technical strength. The Company also maintains the corporate culture of labor-management corporation, and endeavors to improve the environment in which each employee may make the best contribution to the enhancement of the corporate value.

Also, (ii) the Company currently owns four factories in Japan, including one in Aomori, and local production bases overseas in three countries, including Taiwan, establishing a production system that enables the Company to flexibly and quickly comply with any needs of the manufacturers. Because the inspection equipment and tools for semiconductors and FPD produced by the Company are manufactured in accordance with the specifications of each manufacturer, the Company will not be able to maintain its superiority without establishing a production system that enables the Company to flexibly comply with the manufacturers' needs. The Company maintains stable production power by installing and arranging production facilities and jigs independently developed by the Company in each factory, and establishing a thorough production system from design to assembly and inspection. The Company has also established a production system that enables the Company to comply with the manufacturers' needs by making continuous efforts to improve

and develop production technology based on its electronic measurement technology and fine processing technology accumulated over the years. Know-how of the Company's employees who are good at quality control and production management is also necessary and essential for the efficient performance of the Company's production facilities and systems.

Further, (iii) the Company strengthens its research and development capability and maintenance system by carrying out worldwide marketing, establishing overseas affiliated corporations and sales agencies in foreign countries in addition to the abovementioned domestic and foreign production bases, and giving feedback such as know-how from such marketing to research and development.

In addition, (iv) the Company is required to preserve relationships of mutual trust with the manufacturers and preserve relationships of mutual trust with the suppliers and contractors of raw materials supporting the development and manufacture of the high-quality products of the Company so that the Company may continue to stably produce and sell the high-quality products. The Company preserves continuous business relationships and strong relationships of mutual trust with the manufacturers by continuously developing and manufacturing the products that flexibly comply with the manufacturers' needs as mentioned above, and by performing customer-oriented sales and development. The Company has also established a relationship of mutual trust with the suppliers and contractors of raw materials by mutually confirming the concept of "quality first."

2. Measures to Enhance the Corporate Value

Under the management philosophy "contribute widely to society with electronic measurement technology," the Company endeavors to ensure stable growth and profitability by developing its existing businesses, with contact technology as the core competence, and by expanding new businesses through the introduction of new technologies and development of new products.

From fiscal 2009 to fiscal 2011, the Company devoted all its energies to implementing various measures for continuous growth under the former mid-term business plan called "Challenge 11" with the basic policy of "strengthening the foundation for continuous growth and further improvement." Under the new mid-term business plan called "Challenge 14" newly starting from fiscal 2012 (and whose target years are fiscal 2012 through fiscal 2014), the Company will reinvent itself as a new and improved Micronics Japan, one that will start afresh to continue to grow and adapt to respond to the rapidly changing environment, and addressing challenges with a resolute stance and thereby turning them into opportunities.

The Company will continue to endeavor to maintain and enhance the corporate value of the Company and, in turn, the common interests of its shareholders, through its company-wide efforts to improve technical development and efficiency and rationalization of management for the Company's development over the medium-to-long term.

3. Strengthening of Corporate Governance

The Company has set the term of office of the Directors to one year and appointed two independent outside directors, and will similarly propose to the 41st Ordinary General Meeting of Shareholders an item of business for appointing two independent outside directors. Accordingly, the Company endeavors to further strengthen corporate governance practices by reinforcing the management supervising and monitoring functions with respect to the management of the Company by the outside directors and outside statutory auditors and by achieving highly transparent management. The Company made efforts to strengthen internal control by establishing a management auditor division as an independent organization directly controlled by the President and Representative Director.

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

1. Purpose of the Plan

The Plan is in line with the Basic Policy set out in section I above for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders.

As set out in the Basic Policy, the Company's board of directors believes that persons who would propose a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate to become persons who control decisions on the Company's financial and business policies. The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate, to deter large-scale acquisitions that are detrimental to the corporate value of the Company and the common interests of its shareholders, and on the occasion that the Company receives a large-scale acquisition proposal from an acquirer, to enable the Company's board of directors to present an alternative proposal to the shareholders or ensure necessary time and information for the shareholders to decide whether or not to accept the large-scale acquisition, and to enable the board of directors to negotiate for the benefit of the

shareholders.

The Company has not received any proposal of a large-scale acquisition of the shares in the Company from any specific third parties.

2. Plan Outline

The Plan sets out procedures necessary to achieve the purpose stated above, including requirements for acquirers to provide information in advance in the case that the acquirer intends to make an acquisition of 20% or more of the Company's share certificates¹ or other equity securities.

The acquirer must not effect a large-scale acquisition of the shares and other equity securities in the Company until and unless the Company's board of directors determines not to trigger the Plan in accordance with the procedures for the Plan.

In the event that an acquirer does not follow the procedures set out in the Plan, or a large-scale acquisition of shares and other equity securities in the Company could harm the corporate value of the Company and the common interests of its shareholders and if the acquisition satisfies the triggering requirements set out in the Plan, the Company will allot stock acquisition rights with (a) an exercise condition that does not allow the acquirer, etc. to 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 mushou wariate*) to all shareholders, except the Company, at that time. If a gratis allotment of stock acquisition rights were to take place in accordance with the Plan and all shareholders other than the acquirer received the Company's shares as a result of those shareholders exercising or the Company acquiring those stock acquisition rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to a maximum of 50%.

For matters such as the implementation or non-implementation of the gratis allotment of stock acquisition rights or the acquisition of stock acquisition rights, the Company will obtain a determination from the independent committee, which is solely composed of

¹ The Company is no longer a company issuing share certificates since the electronic share certificate system came into effect on January 5, 2009; however, we use the term "share certificate" in the Plan in accordance with the provisions of the Financial Instruments and Exchange Act from the perspective that using descriptions in the Plan that are in accordance with the provisions of the Financial Instruments and Exchange Act will contribute to clarity and objectivity.

members who are independent from the management of the Company such as outside directors of the Company subject to the rules of the independent committee in order to eliminate arbitrary decisions by directors. In addition, the Company's board of directors may, if prescribed in the Plan, convene a meeting of shareholders and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the stock acquisition rights.

Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company's shareholders.

3. Plan Details (Details of 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 Procedures for Triggering the Plan

(a) Targeted Acquisitions

The Plan will be applied in cases where any purchase or other acquisition of share certificates, etc. of the Company that falls under (i) or (ii) below or any similar action (including a proposal 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*)² of a holder (*hoyuusha*)³ totaling at least 20% of the share certificates, etc. (*kabuken tou*)⁴ issued by the Company; or
- (ii) A tender offer (*koukai kaitsume*)⁵ that would result in the party conducting the tender offer's ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*)⁶ and the ownership ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*)⁷ totaling at least 20% of the share certificates,

² Defined in Article 27-23.4 of the Financial Instruments and Exchange Act. The same is applied throughout this document.

³ Including persons described as a holder under Article 27-23.3 of the Financial Instruments and Exchange Act (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.

⁴ Defined in Article 27-23.1 of the Financial Instruments and Exchange Act. The same is applied throughout this document unless otherwise provided for.

⁵ Defined in Article 27-2.6 of the Financial Instruments and Exchange Act. The same is applied throughout this document.

⁶ Defined in Article 27-2.8 of the Financial Instruments and Exchange Act. The same is applied throughout this document.

⁷ Defined in Article 27-2.7 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the board of directors of the Company); provided, however, that persons

etc. (*kabuken tou*)⁸ issued by the Company.

The party intending to make the Acquisition (the “Acquirer”) shall follow the procedures prescribed in the Plan, and the Acquirer must not effect the Acquisition until and unless the Company’s board of directors resolves not to implement the gratis allotment of Stock Acquisition Rights in accordance with the Plan.

(b) Submission of Acquirer’s Statement

The Company will request the Acquirer to submit to the Company in the form separately prescribed by the Company a document that includes an undertaking that the Acquirer will comply with the procedures set out in the Plan (signed by or affixed with the name and seal of the representative of the Acquirer) and a qualification certificate of the person who signed or affixed its name and seal to that document (collectively, “Acquirer’s Statement”) before commencing or effecting the Acquisition. The Acquirer’s Statement must include the name, address or location of headquarters, location of offices, governing law for establishment, name of the representative, contact information in Japan for the Acquirer and the outline of the intended Acquisition. The Acquirer’s Statement and the Acquisition Document set out in (c) below must be written in Japanese.

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

The Company will provide the Acquirer the format for the Acquisition Document (defined below), including a list of information that the Acquirer should provide to the Company, no later than 10 business days after receiving the Acquirer’s Statement. The Acquirer must provide the Company’s board of directors with the document in the form provided by the Company (the “Acquisition Document”), which includes the information described in each item of the list below (“Essential Information”).

If the Company’s board of directors receives the Acquisition Document, it will promptly send it to the Independent Committee (standards for appointing members, requirements for resolutions, resolution matters, and other matters concerning the Independent Committee are as described in Attachment 1 ‘Outline of the Rules of the Independent Committee’ and business backgrounds and other matters regarding members of the Independent Committee at the time of the Renewal will be as described in Attachment 2 ‘Profiles of the Members of the Independent Committee’). If the Company’s board of directors and the Independent Committee determine that the Acquisition Document does not

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 Act. The same is applied throughout this document.

⁸ Defined in Article 27-2.1 of the Financial Instruments and Exchange Act.

contain sufficient Essential Information, it may set a reply period and request that the Acquirer additionally provide information. In such case, the Acquirer should additionally provide such information within the relevant time limit.

- (i) Details (including name, capital relationship, financial position, operation results, details of violation of laws or ordinances in the past (if any), terms of previous transactions by the Acquirer similar to the Acquisition) of the Acquirer and its group (including Joint Holders⁹, persons having a special relationship and persons having a special relationship with a person in relation to whom the Acquirer is the controlled corporation¹⁰)¹¹.
 - (ii) The purpose, method and specific terms of the Acquisition (including the amount and type of consideration, the timeframe, the scheme of any related transactions, the legality of the Acquisition method, and the feasibility of the Acquisition).
 - (iii) The amount and basis for the calculation of the purchase price of the Acquisition.
 - (iv) Information relating to any previous acquisition of the share certificates, etc. of the Company by the Acquirer.
 - (v) Financial support for the Acquisition (specifically including the names of providers of funds for the Acquisition (including all indirect providers of funds), financing methods and the terms of any related transactions and the like).
 - (vi) Details of communications regarding the Acquisition with a third party (if any).
 - (vii) Post-Acquisition management policy, administrative organization, business plan, capital and dividend policies for the Company group.
 - (viii) Post-Acquisition policies for the Company's shareholders (other than the Acquirer), employees, business partners, customers, and any other stakeholders in the Company.
 - (ix) Any other information that the Independent Committee reasonably considers necessary.
- (d) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal

⁹ Defined in Article 27-23.5 of the Financial Instruments and Exchange Act, including persons regarded as a Joint Holder under Article 27-23.6 of the Financial Instruments and Exchange Act (including persons who are deemed a Joint Holder by the Company's board of directors). The same is applied throughout this document.

¹⁰ Defined in Article 9.5 of the Order of the Enforcement of the Financial Instruments and Exchange Act.

¹¹ If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is required.

(i) Request to the Company's Board of Directors for the Provision of Information

If the Acquirer submits the Acquisition Document and any additional information that the Independent Committee requests (if any), the Independent Committee may set a reply period (up to sixty days as a general rule) and request that the Company's board of directors 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 (if any), and any other information that the Independent Committee considers necessary.

(ii) Independent Committee Consideration

The Independent Committee will conduct its consideration of the Acquisition terms, collection of information on the materials such as the management plans and business plans of the Acquirer and the Company's board of directors and comparison thereof, and consideration of any alternative plan presented by the Company's board of directors, and the like for a period of time that does not, as a general rule, exceed sixty days after the date on which the Independent Committee receives the information (including the information additionally requested) from the Acquirer and (if the Independent Committee requests the Company's board of directors to provide information as set out in (i) above) the Company's board of directors (the period for information collection and consideration by the Independent Committee is hereinafter referred to as the "Independent Committee Consideration Period"). Further, if it is necessary 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 Independent Committee will directly or indirectly discuss and negotiate with the Acquirer.

In order to ensure that the Independent Committee's decision contributes to the Company's corporate value and, in turn, the common interests of its shareholders, the Independent Committee may, at the cost of the Company, obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys, tax accountants, consultants or any other experts). If the Independent Committee directly or indirectly requests the Acquirer to provide materials for consideration or any other information, or to discuss and negotiate with the Independent Committee, the Acquirer must promptly respond to such request.

(e) Recommendation by the Independent Committee

The Independent Committee will make recommendations to the Company's board of directors as follows based on the abovementioned procedures.

(i) Recommendation for the Triggering of the Plan

If the Independent Committee determines that one of the trigger events set out below in 3.2, ‘Requirements for the Gratis Allotment of Stock Acquisition Rights’ (collectively “Trigger Event”) arises with respect to the Acquisition, the Independent Committee will recommend the implementation of the gratis allotment of stock acquisition rights (as detailed in 3.3 ‘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 except in any specific case where further disclosure of information by the Acquirer or discussion or negotiation with the Acquirer is necessary. If it is concerned that an Acquisition may fall under the Trigger Event (2) (“Trigger Event (2)”) set out in 3.2, ‘Requirements for the Gratis Allotment of Stock Acquisition Rights,’ the Independent Committee may recommend implementation of the gratis allotment of Stock Acquisition Rights subject to confirming the shareholders’ intent in advance.

Notwithstanding the foregoing paragraph, even after the Independent Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Independent Committee determines that either of the events in (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) Recommendation for the Non-Triggering of the Plan

If the Independent Committee determines the Acquisition does not fall under either Trigger Event, the Independent Committee will recommend the non-implementation of the gratis allotment of Stock Acquisition Rights to the Company’s board of directors, regardless of whether the Independent Committee Consideration Period has ended.

Notwithstanding the foregoing paragraph, even after the Independent Committee has already made one recommendation for the non-implementation of 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 Independent Committee may make a new recommendation that the Company should implement the gratis allotment of Stock Acquisition Rights.

(iii) Extension of the Independent Committee Consideration Period

If the Independent Committee does not reach a recommendation for either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights during the initial Independent Committee Consideration Period, the Independent Committee may, to the reasonable extent that it is considered necessary for actions such as consideration of the terms of the Acquirer's Acquisition, consideration of an alternative proposal and discussion and negotiation with the Acquirer, extend the Independent Committee Consideration Period (in principle up to 30 days in total). If the Independent Committee Consideration Period is extended, the Independent Committee will continue to collect information, deliberate, discuss, negotiate and perform similar activities, and use its best efforts to make a recommendation for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights within the extended period.

(f) Resolutions by the Board of Directors

If any recommendation of the Independent Committee described above is made, the Company's board of directors, in exercising its role under the Companies Act, will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights respecting that recommendation to the maximum extent. If a meeting of shareholders is convened in accordance with (g) below, the Company's board of directors will pass a resolution in accordance with the resolution at the meeting of shareholders.

(g) Convocation of the Shareholders Meeting

Upon the implementation of the gratis allotment of the Stock Acquisition Rights pursuant to the Plan, the Company's board of directors may convene a meeting of shareholders¹² (the "Shareholders Meeting") and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the Stock Acquisition Rights, if (i) the Independent Committee recommends implementation of the gratis allotment of Stock Acquisition Rights subject to confirming the shareholders' intent in advance in accordance with (e)(i) above, or (ii) the applicability of Trigger Event (2) becomes an issue in respect of the Acquisition and the board of directors determines it appropriate to confirm the

¹² A "meeting of shareholders" includes not only a shareholders meeting where shareholders resolve statutory matters for resolution set out in Article 295 of the Companies Act, but also a meeting to be held in accordance with the provisions regarding shareholders meetings under the Companies Act where advisory resolutions regarding matters other than the statutory matters for resolution set out in Article 295 of the Companies Act are made.

shareholders' intent taking into consideration the time required to convene the Shareholders Meeting or other matters pursuant to the duty of care of a director.

(h) Information Disclosure

When operating the Plan, the Company will disclose, in a timely manner, information on matters that the Independent 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 Acquirer's Statement and Acquisition Document have been submitted and the Independent Committee Consideration Period has commenced), or an outline of recommendations made by the Independent Committee, an outline of resolutions by the board of directors and an outline of resolutions at the Shareholders Meeting, in accordance with the applicable laws and ordinances or the regulations of the financial instruments exchange.

3.2 Requirements for the Gratis Allotment of Stock Acquisition Rights

The requirements to trigger the Plan to implement a gratis allotment of Stock Acquisition Rights are as follows. As described above in (e) of 3.1, '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 the recommendation by the Independent Committee has been obtained.

Trigger Event (1)

The Acquisition is not in compliance with the procedures prescribed in the Plan (including cases that time and information necessary to consider the details of the Acquisition is not 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, etc. to require such share certificates, etc. to be compulsorily purchased by the Company or the Company's affiliates 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 of shares 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 to which the terms (including the amount and type of consideration, timeframe, legality of the Acquisition method, feasibility of the Acquisition being effected, and post-Acquisition policies dealing with the Company's other shareholders, employees, customers, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's intrinsic value.
- (d) Acquisitions that materially threaten to oppose the corporate value of the Company and, in turn, the common interests of shareholders, by destroying the technical strength or production power or relationships with the Company's employees, customers, business partners and the like, which are indispensable to the generation of the Company's corporate value.

3.3 Outline of the Gratis Allotment of Stock Acquisition Rights

The following is an outline of the gratis allotment of Stock Acquisition Rights scheduled to be implemented under the Plan.

(a) Number of Stock Acquisition Rights

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

(b) Shareholders Eligible for Allotment

The Company will allot the Stock Acquisition Rights to shareholders, other than the Company, who are recorded in the Company's 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 separately determined in the Gratis Allotment Resolution.

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

The number of shares in the Company¹³ to be acquired upon exercise of each Stock Acquisition Right (the "Applicable Number of Shares") will, in principle, be one share.

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

Contributions upon exercise of the Stock Acquisition Rights are to 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 separately 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 an amount equivalent to the average closing price (including quotations) for regular transactions of the common stock of the Company on the Osaka Securities Exchange on each day during the ninety 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 commencement date will be a date separately determined in the Gratis Allotment Resolution (this commencement date of the exercise period is referred to as the "Exercise Period Commencement Date"), and the period will, in principle, be a period from one month to six months long as separately determined in the Gratis Allotment Resolution.

(g) Conditions for Exercise of Stock Acquisition Rights

Except where any exceptional event¹⁴ occurs, the following parties may not exercise the

¹³ Even if the Company becomes a company issuing class shares (Article 2, Item 13 of the Companies Act) in the future, both (i) the shares in the Company to be delivered upon exercise of Stock Acquisition Rights and (ii) the shares to be delivered in exchange for acquisition of Stock Acquisition Rights are the same class of shares of common stock that have been issued at the time of the 41st Ordinary General Meeting of Shareholders.

¹⁴ Specifically, the Company intends to set out that an "exceptional event" means when (x) the Acquirer

Stock Acquisition Rights (the parties falling under (I) through (VI) below are collectively referred to as “Non-Qualified Parties”):

- (I) Specified Large Holders;¹⁵
- (II) Joint Holders of Specified Large Holders;
- (III) Specified Large Purchasers;¹⁶
- (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 Party¹⁷ of any party falling under (I) through (V).

cancels or revokes the 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 making 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 under either (i) or (ii) above. Detailed conditions and procedures for exercise of Stock Acquisition Rights by Non-Qualified Parties will be determined separately by the Company’s board of directors.

¹⁵ “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 applicable to 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.

¹⁶ “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 Act; the same is applied throughout this Note 16/) of share certificates, etc. (as defined in Article 27-2.1 of the Financial Instruments and Exchange Act; the same is applied throughout this Note 16) 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 Act) 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.

¹⁷ 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

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 in (ii) of paragraph (i) below, ‘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) Assignment of Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires the approval of the Company’s board of directors.

(i) Acquisition of Stock Acquisition Rights by the Company

(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

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 Companies Act) of other corporations or entities.

Stock Acquisition Rights other than Non-Qualified Parties¹⁸, the Company may, on a day falling on a date determined by the Company's board of directors after the date upon which the acquisition described above takes place, acquire all 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 (if any) and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for every one Stock Acquisition Right. The same will apply thereafter.

(j) Delivery of Stock Acquisition Rights 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 separately determined in the Gratis Allotment Resolution.

(k) Issuance of Certificates Representing the Stock Acquisition Rights
Certificates representing the Stock Acquisition Rights will not be issued.

(l) Other

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

3.4 Effective Period, and Abolition, Revision or Amendment of the Plan

The effective period of the Plan (the "Effective Period") will be the period until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the conclusion of the 41st Ordinary General Meeting of Shareholders.

However, if, before the expiration of the Effective Period, the Company's board of directors resolves to abolish the Plan, the Plan will be abolished at that time.

Further, 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 of the 41st Ordinary General Meeting of Shareholders such as cases where any law, ordinance, or regulations or rules of a financial instruments exchange or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such

¹⁸ For example, the case of a person who initially had a Special Relationship with a Specified Large Purchaser but cancels the relationship with the Specified Large Purchaser after the triggering of the Plan and thereby is no longer a Non-Qualified Party.

establishment, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, cases where the revision or amendment does not cause any disadvantage to the Company's shareholders, and the like, and subject to the approval of the Independent Committee.

If the Plan is abolished, revised or amended, the Company will promptly disclose facts including the fact that such abolition, revision or amendment has taken place, and (in the event of a revision or amendment) the details of the revision, amendment and any other matters.

3.5 Revision Due to Amendment to Laws and Ordinances

The provisions of laws and ordinances referred to under the Plan are subject to the prevailing provisions as of November 18, 2011. If it becomes necessary after such date to revise the terms and conditions or definitions of terms set out in the paragraphs above due to the establishment, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the paragraphs above will be read accordingly as required to a reasonable extent, taking into consideration the purposes of such establishment, amendment or abolishment.

4. Impact on Shareholders and Investors

4.1 Impact on Shareholders and Investors Upon the Renewal

Upon the 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.

4.2 Impact on Shareholders and Investors 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 resolves to make a gratis allotment of Stock Acquisition Rights, it will also decide the Allotment Date in the same resolution and give public notice of this 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 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 automatically become Stock Acquisition Right holders 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 if the Company's board of directors has resolved to make a gratis allotment of Stock Acquisition Rights, the Company may, by respecting any recommendation of the Independent Committee described above in section (e)(i) of 3.1, 'Procedures for Triggering the Plan,' to the maximum extent, (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 commencement date of the exercise period of the Stock Acquisition Rights, 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 possible that any investors who have sold or bought the shares in the Company expecting to see such a dilution will suffer unexpected loss as a result of a fluctuation in the share price.

(ii) Procedures for Exercising Stock Acquisition Rights

The Company will deliver, as a general rule, a document necessary to be submitted for the 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 information necessary to allocate shares of the Company to the account of the Entitled Shareholders) and other documents necessary for the exercise of the Stock Acquisition Rights to the Entitled Shareholders. After the gratis allotment of Stock Acquisition Rights, the shareholders will be issued, as a general rule, one share in the Company per Stock Acquisition Right upon submitting these necessary documents during the exercise period of Stock Acquisition Rights and, as a general rule, by paying as the exercise price for the Stock Acquisition Rights an amount equivalent to the exercise price separately determined by the Company's board of directors in the Gratis Allotment Resolution, which will be an amount within the range of one yen and one-half of the fair market value of the Company's stock per Stock Acquisition Right. The Non-Qualified Parties intending to exercise Stock Acquisition Rights must follow the Company's separate determination in accordance with (g) of 3.3, 'Outline of the Gratis Allotment of Stock Acquisition Rights.'

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 acquisition procedures, all shareholders other than Non-Qualified Parties will, in principle, come to receive shares in the Company without exercising their Stock Acquisition Rights or paying an 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 in accordance with the statutory procedures from the shareholders other than Non-Qualified Parties, on the day that falls on the date separately determined by the Company's board of directors and, in principle, deliver shares in the Company in exchange. In this case, the shareholders concerned will, in principle, come to receive one share in the Company for each Stock Acquisition Right as consideration for the acquisition by the Company of those Stock Acquisition Rights, without paying an amount equivalent to the exercise price. However, in such case, the shareholders concerned will be separately requested to provide information necessary to allocate shares of the Company to the account of the Entitled Shareholders and 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. (See (i) of 3.3, 'Outline of the Gratis Allotment of Stock Acquisition Rights' for details.)

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 to 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 these matters are determined in the Gratis Allotment Resolution, so we request that shareholders check these details at that time.

IV. Rationale of the Plan

1. Ensure and Enhance the Company's Corporate Value and the Common Interests of Shareholders

The Plan is in line with the Basic Policy and for the purpose of maintaining the

corporate value of the Company and, in turn, the common interests of its shareholders by ensuring the necessary time and information is made available for the shareholders to decide whether or not to accept the Acquisition of share certificates, etc. of the Company and for the board of directors to present an alternative proposal to the shareholders, and by enabling the board of directors to negotiate with the Acquirer for the benefit of the shareholders when the Acquisition is to be effected.

2. Satisfying the Requirements of the Guidelines for Takeover Defense Measures

The Plan fully satisfies the three principles set out in the Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of 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 "Guidelines"); namely, the principles of:

- (i) ensuring and enhancing corporate value and shareholders' common interests;
- (ii) prior disclosure and respect for shareholder intent; and
- (iii) ensuring necessity and reasonableness.

With this basis of the three principles under the Guidelines, the Plan will also introduce details based on the Takeover Defense Measures in Light of Recent Environmental Changes released on June 30, 2008 by the Corporate Value Study Group established under the Ministry of Economy, Trade and Industry, and other practice and discussion related to takeover defense measures.

The Plan also fully satisfies the "matters to be complied with upon introduction of takeover defense measures" set out in Article 11 of the Corporate Code of Conduct of Osaka Securities Exchange, Inc.

3. Placing High Value on the Intent of Shareholders

The Renewal will be made subject to shareholder approval at the 41st Ordinary General Meeting of Shareholders.

The Company's board of directors may, under certain circumstances, confirm the intent of the Company's shareholders at the Shareholder Meeting regarding the need to trigger the Plan.

Further, the Plan is subject to a so-called sunset clause setting the Effective Period of approximately three years and if, even before the expiration of the Effective Period of the Plan, the Company's board of directors resolves to abolish the Plan, the Plan will be abolished at that time. In this regard, the life of the Plan depends on the intent of the Company's

shareholders.

4. Emphasis on the Decisions of Independent Parties Such As Outside Directors and Obtaining the Advice of Third-Party Experts

The Company must obtain a recommendation from the Independent Committee, composed only of members who are independent, such as outside directors, when making decisions for triggering the Plan.

Further, the Independent Committee may obtain advice from independent third-party experts at the Company's expense, which is a mechanism to even further ensure the objectivity and fairness of the decisions made by the Independent Committee.

5. Establishment of Reasonable Objective Requirements

As set out above in section (e) of III.3.1, 'Procedures for Triggering the Plan,' and section III.3.2, 'Requirements for the Gratis Allotment of Stock Acquisition Rights,' the Company believes that the Plan is established so that it will not be triggered unless reasonable and objective requirements have been satisfied, and ensures a structure to eliminate arbitrary triggering by the Company's board of directors.

6. No Dead-Hand or Slow-Hand Takeover Defense Measures

The Plan may be abolished by a meeting of the board of directors composed of directors who are nominated by a person who acquires a large number of share certificates, etc. and appointed at the Company's general meeting of shareholders. 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 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).

--- End of Document ---

This document is to publicly announce the introduction of measures against a proposed large-scale acquisition of shares (takeover defense measures), and is not to offer the Company's shareholders to delegate the Company or a third party to exercise their voting

rights for the proposed items of business at the Company's ordinary general meeting of the shareholders.

Attachment 1

Outline of the Rules of the Independent Committee

- The Independent Committee will be established by resolution of the Company's board of directors.
- There will be no less than three members in the Independent Committee, and the Company's board of directors shall elect the members from (i) outside directors of the Company, (ii) outside statutory auditors of the Company, or (iii) other outside experts, in each case someone who is independent from the management that executes the business of the Company. However, such experts must be experienced corporate managers, former government employees, parties with knowledge of the investment banking industry, parties with knowledge of the Company's business, lawyers, certified public accountants, researchers whose research focuses on the Companies Act or the like, or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Company's board of directors that contains a provision obligating the experts to exercise their duty of care to the Company or a similar provision.
- Unless otherwise determined by a resolution of the Company's board of directors, the term of office of members of the Independent Committee will be until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the 41st Ordinary General Meeting of Shareholders. However, the term of office of any member of the Independent Committee who is an outside director or outside statutory auditor of the Company will end at the same time when they cease to be an outside director or outside statutory auditor (except in the case of their re-appointment).
- The Independent Committee will make decisions on the matters listed below and make recommendations to the Company's board of directors containing the details of and reasons for the decisions. Respecting such recommendations by the Independent Committee to the maximum extent possible, the Company's board of directors shall make decisions regarding the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights as an organization under the Companies Act (or, if the Shareholders Meeting otherwise resolves to implement the gratis allotment of Stock Acquisition Rights as set out in (a) below, in accordance with such resolution). Each member of the Independent Committee and each director of the Company must make such decisions from the perspective of whether or not the corporate value of the Company and the common interests of its shareholders will be enhanced, and they must not solely serve the purpose of their own interests or those of the management of the Company.

- (a) The implementation or non-implementation of the gratis allotment of Stock Acquisition Rights.
 - (b) The cancellation of the gratis allotment of Stock Acquisition Rights or the gratis acquisition of Stock Acquisition Rights.
 - (c) Any other matters that are for determination by the Company's board of directors in respect to which it has consulted the Independent Committee.
- In addition to the matters prescribed above, the Independent Committee may conduct the matters listed below.
 - (a) Determination whether the Acquisition should be made subject to the Plan.
 - (b) Determination of the information that the Acquirer and the Company's board of directors should provide to the Independent Committee, and the deadline for the provision of that information.
 - (c) Examination and consideration of the terms of the Acquirer's Acquisition.
 - (d) Negotiation and discussion with the Acquirer.
 - (e) Request for an alternative proposal to, and consideration of the alternative proposal by, the Company's board of directors.
 - (f) Determination regarding extension of the Independent Committee Consideration Period.
 - (g) Determination whether the Shareholders Meeting should be convened regarding the implementation of the gratis allotment of the Stock Acquisition Rights.
 - (h) Approval of revision or amendment of the Plan.
 - (i) Determination whether or not takeover defense measures other than the Plan should be introduced.
 - (j) Any other matters prescribed in the Plan that the Independent Committee may conduct.
 - (k) Any matters that the Company's board of directors separately determines that the Independent Committee may conduct.
- If the Independent Committee decides that the Acquisition Document and information provided are inadequate as Essential Information, it may request that the Acquirer provide additional information. Further, if the Independent Committee receives from the Acquirer the Acquisition Document and the Essential Information, it may request that the Company's board of directors provide within a certain period an opinion regarding the terms of the Acquisition by the Acquirer and materials supporting that opinion, an alternative proposal (if any), and any other information that the Independent Committee may consider necessary from time to time.
- If it is necessary in order to have the terms of the Acquirer's Acquisition revised from the standpoint of ensuring and enhancing the corporate value of the Company

and the common interests of its shareholders, the Independent Committee will either directly or indirectly discuss and negotiate with the Acquirer, or present to the shareholders the alternative plan of the Company's board of directors or conduct any similar action.

- In order to collect the necessary information, the Independent Committee may request the attendance of a director, statutory auditor or employee of the Company, or any other party that the Independent Committee considers necessary, and may demand explanation of any matter it requests.
- The Independent Committee may, at the Company's expense, obtain advice from an independent third party (including financial advisers, certified public accountants, lawyers, tax accountants, consultants and other experts) or conduct similar actions.
- Any member of the Independent Committee may convene a meeting of the Independent Committee when an Acquisition arises, or at any other time.
- As a general rule, resolutions of meetings of the Independent Committee shall pass with a majority when all of the members of the Independent Committee are in attendance (including attendance via video conference or telephone conference). However, in unavoidable circumstances a resolution may pass with a majority of voting rights when a majority of the members of the Independent Committee are in attendance.

--- End of Document ---

Attachment 2

Profiles of the Members of the Independent Committee

The following three persons will be the members of the Independent Committee upon the Renewal.

Tsutomu Maruyama

Business Background

April 1971	Entered IBM Japan, Ltd.
January 1994	Appointed Director and General Manager of Personal Computer Development and Manufacture Department of IBM Japan, Ltd.
April 1998	Appointed Managing Director in charge of Display Business of IBM Japan, Ltd.
January 1999	Appointed Senior Managing Director in charge of Development and Manufacture of IBM Japan, Ltd.
April 2001	Appointed Vice President and Director in charge of Development and Manufacture of IBM Japan, Ltd.
March 2004	Appointed Technical Advisor of IBM Japan, Ltd.
December 2004	Appointed Director of the Company (current position)
June 2005	Appointed Technical Advisor of WILLCOM, Inc.
October 2005	Appointed Specially-Appointed Professor of Graduate School of Engineering/Faculty of Engineering of Tokyo University
April 2006	Appointed Chief Information Officer of Tokushima Prefecture (current position)
June 2006	Appointed Part-time Director of Advanced Peripherals Technologies, Inc. (corporate name changed to JB Advanced Technology Corporation)
April 2007	Appointed Advisor of IBM Japan, Ltd.
March 2008	Retired from an office of Advisor of IBM Japan, Ltd.

*Mr. Tsutomu Maruyama is a candidate for outside director as set out in Article 2, Paragraph 3, Item 7 of the Enforcement Regulations of the Companies Act, and is scheduled to be appointed as an outside director upon his election as such at the 41st Ordinary General Meeting of Shareholders.

Mr. Maruyama does not have any special interest in the Company.

Kengo Hijiya

Business Background

April 1963 Entered Administrative Department of Hiroshima Regional Tax Bureau
July 2002 Appointed Chief of Kawasaki-kita Tax Office
July 2003 Retired
September 2003 Became Representative of Hijiya Tax Accountant Office (current position)
December 2004 Appointed Statutory Auditor of the Company (current position)

*Mr. Kengo Hijiya is an outside statutory auditor as set out in Article 2, Item 16 of the Companies Act.

Mr. Hijiya does not have any special interest in the Company.

Mitsuru Furuyama

Business Background

March 1978 Entered Seki Technotron Corporation
May 1993 Appointed Director of Seki Technotron Corporation
April 1996 Appointed Managing Director of Seki Technotron Corporation
August 2003 Entered Raytex Corporation, Appointed Director of Raytex Corporation
April 2010 Appointed Representative Director of Coresupply Corporation (current position)
December 2010 Appointed Statutory Auditor of the Company (current position)

Significant Concurrent Position

Representative Director of Coresupply Corporation

*Mr. Mitsuru Furuyama is an outside statutory auditor as set out in Article 2, Item 16 of the Companies Act.

Mr. Furuyama does not have any special interest in the Company.

Reference Material 1

Major Shareholders of the Company

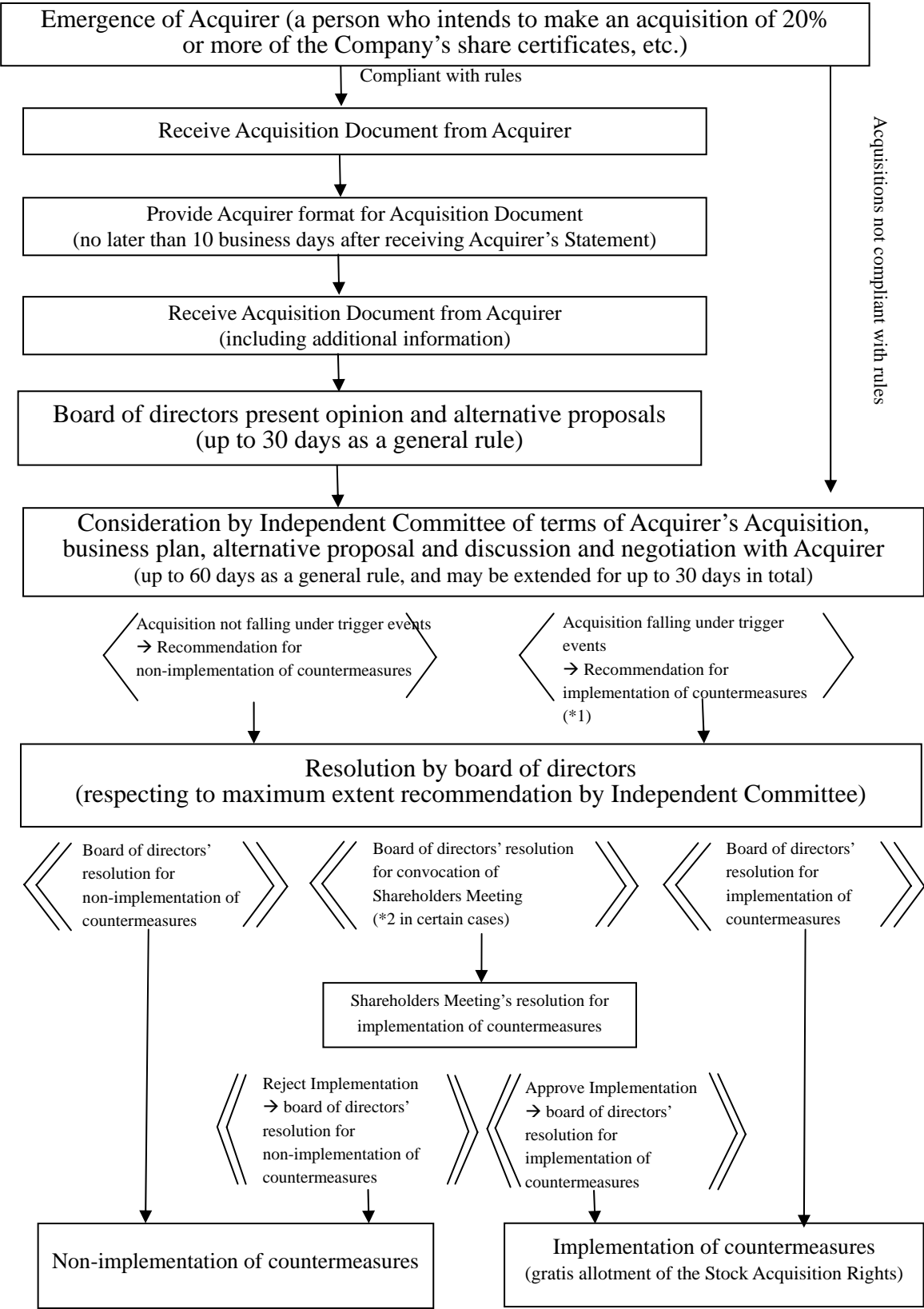
Major shareholders of the Company as of September 30, 2011 are as follows.

Name of Shareholder	Status of shareholding in the Company	
	Number of shares held (thousand shares)	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (trust account)	1,119	5.59%
Yoshiei Hasegawa	959	4.79%
Nippon Life Insurance Company	842	4.21%
Masayoshi Hasegawa	722	3.61%
Katsumi Hasegawa	720	3.60%
Takehiro Hasegawa	692	3.46%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	665	3.33%
The Nomura Trust and Banking Co., Ltd. (trust account)	641	3.21%
Kazuhira Takeda	590	2.95%
MTK Holdings Co., Ltd.	558	2.79%

Note: In addition to the above, the Company holds 1,021 treasury shares.

Reference Material 2

Outline of Procedures under the Plan (For reference purposes only)



- *1 The Independent Committee may recommend implementation of the countermeasures (gratis allotment of the Stock Acquisition Rights) subject to confirming the shareholders' intent at the Shareholders Meeting in advance regarding implementation of the countermeasures if the applicability of Trigger Event (2) becomes an issue.
- *2 Upon the implementation of the countermeasures pursuant to the Plan, the board of directors may convene the Shareholders Meeting and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the Stock Acquisition Rights, if (i) the Independent Committee recommends implementation of the countermeasures subject to confirming the shareholders' intent in advance, or (ii) the applicability of Trigger Event (2) becomes an issue and the board of directors determines it appropriate to confirm the shareholders' intent taking into consideration the time required to convene a general meeting of shareholders or other matters pursuant to the duty of care of a director.

This reference material is a simplified explanation of the Plan in chart form to help shareholders and investors better understand the Plan. Please refer to the main text of this press release for accurate details of the Plan as accuracy or completeness of this reference material is not guaranteed.