

[TRANSLATION]

(ASBJ) Financial Accounting Standards Foundation
May 21, 2012

To whom it may concern:

Name of Company: The Tokyo Electric Power Company, Incorporated
Name of Representative: Toshio Nishizawa, President
(Code: 9501 First Section of TSE, OSE and NSE)
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Notice Regarding Partial Amendments to the Articles of Incorporation

The Tokyo Electric Power Company, Incorporated (the “Company”), at its Board of Directors meeting held this day, passed a resolution for submission to its Ordinary General Meeting of Shareholders scheduled for June 27, 2012, “Partial Amendments to the Articles of Incorporation (1)” and “Partial Amendments to the Articles of Incorporation (2)”, and hereby announces as follows:

1. Purpose of the Amendments to the Articles of Incorporation

(1) Regarding “Partial Amendments to the Articles of Incorporation (1)”

(a) As described in the “Notice Regarding Issuance of Preferred Shares by Third Party Allotment” announced this day, For the purpose of strengthening the Company’s financial base and securing funds, the Company has decided to conduct a third party allotment by way of issuance of shares for subscription (Class A Preferred Shares and Class B Preferred Shares; collectively, the “Preferred Shares”) with the Nuclear Damage Compensation Facilitation Corporation as allottee. Therefore, the Company will amend the Total Number of Shares to be Issued (Article 6) and make necessary amendments, such as introduction of articles related to the issuance of the Preferred Shares.

Pursuant to the provision of the Companies Act, each total number of classes of shares authorized to be issued is prescribed in revised Article 6 so that such total number of classes of shares authorized to be issued is not less than the maximum number of relevant class of shares which can be issued through exercise of a put option, regardless of the total number of shares authorized to be issued. However, the total number of shares that can be actually issued shall be within the limits of the total number of shares authorized to be issued.

Further, the issuance of the Preferred Shares will be subject to the approval through a special resolution at the Ordinary General Meeting of Shareholders.

(b) The Company will change its managerial mechanism to a company with committees in order to improve the objectivity and transparency of its management, and slim down the number of Directors. Therefore, the Company will make necessary amendments in conjunction with the transition to a company with committees such as amending Organs (Article 4) and introducing articles related to the Executive Officers and committees, and the Company will also amend the Fixed Number of Directors (Article 19). Further, the Company will introduce articles related to the agreement on limitation of responsibilities in order to help induce Outside Directors to serve as well as articles related to the release of Executive Officers from responsibility in order to enable Executive Officers to fully perform the roles expected of them in their execution of duties.

Each Auditor has consented to the revisions to Article 29, Paragraph 2 and Article 36 in the proposed amendments to the Articles of Incorporation.

- (c) The Company will amend the Trade Name in English (Article 1) to a more standard designation.
- (d) In conjunction with the foregoing amendments, the Company will accordingly adjust the article numbers of each provision in the current Articles of Incorporation.

(2) Regarding “Partial Amendments to the Articles of Incorporation (2)”

In a case where the Preferred Shares are issued, it will be necessary to further increase the total number of shares authorized to be issued in order to prepare for a situation where the Common Shares, etc., are delivered as consideration for the exercise of the put option granted to the Preferred Shares. Therefore, the Company will further amend the article relating to the Total Number of Shares to be Issued (Article 6) following the amendment pursuant to "Partial Amendments to the Articles of Incorporation (1)" subject to the payment of an amount to be paid in for all the Preferred Shares.

Partial amendments to the Articles of Incorporation hereunder will take effect on the day on which an amount to be paid in for all the Preferred Shares has been paid.

2. Contents of the Amendments to the Articles of Incorporation

The specific contents of the amendments to the Articles of Incorporation are set forth in the attachment.

3. Schedule

May 21, 2012	Resolution at the meeting of the Board of Directors
June 27, 2012 (scheduled)	Ordinary General Meeting of Shareholders
	Effective day of the amendments to the Articles of Incorporation pursuant to Partial Amendments to the Articles of Incorporation (1)
July 25, 2012 (scheduled)	Effective day of the amendments to the Articles of Incorporation pursuant to Partial Amendments to the Articles of Incorporation (2) (※)

- ※ Partial amendments to the Articles of Incorporation (2) will take effect on the day on which an amount to be paid in for all the Preferred Shares has been paid. July 25, 2012 is planned to be the payment date for the Preferred Shares. That said, the payment period under the Companies Act is resolved as from July 11, 2012 until July 25, 2012, and, depending on the timing when the conditions precedent for closing under the share subscription agreement between the Company and the Corporation, the payment date may be advanced within the range of the payment period mentioned above.

End of Document

Partial Amendments to the Articles of Incorporation (1)

(Underlining indicates matters which are amended)

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p>(Trade Name) Article 1. The Company shall be called Tokyo Denryoku Kabushiki Kaisha and in English it shall be designated as <u>The Tokyo Electric Power Company, Incorporated.</u></p> <p>(Organs) Article 4. The Company shall establish the following organs, in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Auditors</u> (3) <u>Board of Auditors</u> (4) <u>Accounting Auditor.</u></p> <p>(Total Number of Shares to be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>Eighteen Hundred Million (1,800,000,000) shares.</u></p> <p style="text-align: center;"><Newly Established></p> <p>(Acquisition of Own Shares) Article 7. <Provision omitted></p> <p>(Number of Shares Constituting One Unit) Article 8. The number of shares constituting one unit of shares of the Company shall be <u>One Hundred (100) shares.</u></p>	<p>(Trade Name) Article 1. The Company shall be called Tokyo Denryoku Kabushiki Kaisha and in English it shall be designated as Tokyo Electric Power Company, Incorporated.</p> <p>(Organs) Article 4. The Company shall establish the following organs <u>as a company with committees,</u> in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Nominating Committee, Audit Committee and Compensation Committee</u> <Deleted> (3) <u>Accounting Auditor.</u></p> <p>(Total Number of Shares to be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>Sixty Four Hundred Million (6,400,000,000) shares, and each total number of classes of shares authorized to be issued by the Company shall be Thirty Five Billion (35,000,000,000) shares with respect to Common Shares, Fifty Hundred Million (5,000,000,000) shares with respect to Class A Preferred Shares, and Five Hundred Million (500,000,000) shares with respect to Class B Preferred Shares.</u></p> <p>(Preferred Shares) Article 7. <u>Specifications of Class A Preferred Shares are as described in the Exhibit 1 and specifications of Class B Preferred Shares are as described in the Exhibit 2.</u></p> <p>(Acquisition of Own Shares) Article 8. <Same as the current provision></p> <p>(Number of Shares Constituting One Unit) Article 9. The number of shares constituting one unit of shares of the Company shall be <u>One Hundred (100) shares with respect to each of Common Shares and Class A Preferred Shares, and Ten (10) shares with respect to Class B Preferred Shares.</u></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p>(Voting by Proxy) Article 18. <Provision omitted></p> <p style="text-align: center;"><Newly Established></p> <p>CHAPTER IV. DIRECTORS <u>AND</u> BOARD OF DIRECTORS</p> <p>(Fixed Number) Article 19. The Directors of the Company shall be not more than <u>twenty (20)</u> in number.</p> <p>(Election) Article 20. <Provision omitted></p> <p>(Term of Office) Article 21. <Provision omitted></p> <p>(Powers of the Board of Directors, etc.) Article 22. The Board of Directors shall be constituted by the Directors of the Company <u>and shall decide the administration of the affairs of the Company.</u></p> <p style="text-align: center;"><Newly Established></p>	<p>(Voting by Proxy) Article 19. <Same as the current provision></p> <p><u>(General Meeting of Class Shareholders)</u> Article 20. <u>Unless otherwise provided for in the laws and regulations or these Articles of Incorporation, a resolution of a General Meeting of Class Shareholders shall be adopted by a majority of the votes of the class shareholders present and entitled to exercise voting rights.</u></p> <p><u>2. A resolution of the General Meeting of Class Shareholders under the provision of Article 324, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the voting rights of the class shareholders present who shall represent one-third or more of the voting rights of the class shareholders entitled to exercise voting rights.</u></p> <p><u>3. Provision set forth in Article 14, Paragraph 1 hereof shall apply <i>mutatis mutandis</i> to a General Meeting of Class Shareholders held on the same date as the Ordinary General Meeting of Shareholders.</u></p> <p><u>4. Provisions set forth in Articles 16, 17 and 19 hereof shall apply <i>mutatis mutandis</i> to a General Meeting of Class Shareholders.</u></p> <p>CHAPTER IV. DIRECTORS, <u>BOARD OF DIRECTORS AND COMMITTEES</u></p> <p>(Fixed Number) Article 21. The Directors of the Company shall be not more than <u>eleven (11)</u> in number.</p> <p>(Election) Article 22. <Same as the current provision></p> <p>(Term of Office) Article 23. <Same as the current provision></p> <p>(Powers of the Board of Directors, etc.) Article 24. The Board of Directors shall be constituted by the Directors of the Company.</p> <p><u>2. The Board of Directors shall decide the administration of the affairs of the Company and supervise the execution of duties of the Directors and the Executive</u></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p>(Convoker and Chairman of the Board of Directors) Article 23. The meeting of the Board of Directors shall be convened by the <u>President</u>, who shall be the chairman thereof. In the event that the <u>President</u> is prevented from so acting, other Director shall act in its place in accordance with the order predetermined by a resolution of the Board of Directors.</p> <p>(Notice for Convening of the Board of Directors) Article 24. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director <u>and each Auditor</u> at least two (2) days prior to the date set for such meeting. Provided, however, that the said period may be shortened in case of urgent necessity.</p> <p>(Manner for Adopting Resolutions of the Board of Directors) Article 25. <Provision omitted></p> <p><u>(Representative Directors)</u> Article 26. <u>By a resolution of the Board of Directors, one President shall be appointed, and a number of Executive Vice Presidents may be appointed.</u> 2. <u>The President and Executive Vice Presidents shall be Representative Directors.</u></p> <p><u>(Administration of Affairs by Representative Directors)</u> Article 27. <u>The President shall control the affairs of the Company according to the resolutions of the Board of Directors.</u> 2. <u>The Executive Vice Presidents shall assist the President and shall administer the affairs of the Company.</u> 3. <u>In the event that the President is prevented from so acting, other Representative Director shall act in its place in accordance with the order predetermined by a resolution of the Board of Directors.</u></p> <p>(Chairman of the Board of Directors) Article 28. By a resolution of the Board of Directors, one Chairman of the Board of Directors may be appointed. 2. <u>The Chairman of the Board of Directors shall be a</u></p>	<p><u>Officers.</u></p> <p>(Convoker and Chairman of the Board of Directors) Article 25. The meeting of the Board of Directors shall be convened by the <u>Director determined by a resolution of the Board of Directors</u>, who shall be the chairman thereof. In the event that the <u>said Director</u> is prevented from so acting, other Director shall act in its place in accordance with the order predetermined by a resolution of the Board of Directors.</p> <p>(Notice for Convening of the Board of Directors) Article 26. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director at least two (2) days prior to the date set for such meeting. Provided, however, that the said period may be shortened in case of urgent necessity.</p> <p>(Manner for Adopting Resolutions of the Board of Directors) Article 27. <Same as the current provision></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p>(Chairman of the Board of Directors) Article 28. By a resolution of the Board of Directors, one Chairman of the Board of Directors may be appointed. <Deleted></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p><u>Representative Director.</u></p> <p><u>3.</u> In case the Chairman of the Board of Directors is appointed, <u>the word “President” appearing in Articles 15 and 23 hereof shall be replaced with the words “Chairman of the Board of Directors.”</u></p> <p><u>(Directors in Charge of Administering Affairs)</u></p> <p><u>Article 29.</u> <u>By a resolution of the Board of Directors, a number of Managing Directors may be appointed as Directors to administer the affairs of the Company.</u></p> <p><u>(Release of Directors’ Responsibilities)</u></p> <p><u>Article 30.</u> Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, release Directors from their respective responsibilities under Article 423, Paragraph 1 thereof to the extent permitted by laws and regulations if they had performed their duties in good faith without being grossly negligent.</p> <p style="text-align: center;"><Newly Established></p> <p style="text-align: center;"><Newly Established></p> <p style="text-align: center;"><Newly Established></p>	<p><u>2.</u> In case the Chairman of the Board of Directors is appointed, <u>the Chairman of the Board of Directors shall convene the meeting of the Board of Directors and shall act as the Chairman of the meeting notwithstanding the provision of Article 25 hereof.</u></p> <p style="text-align: center;"><Deleted></p> <p><u>(Release of Directors’ Responsibilities)</u></p> <p><u>Article 29.</u> <Same as the current provision></p> <p><u>2.</u> Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, <u>the Company may enter into agreements with Outside Directors which limit their responsibilities under Article 423, Paragraph 1 thereof to the extent permitted by laws and regulations if they had performed their duties in good faith without being grossly negligent.</u></p> <p><u>(Appointment of Members and Chairman of Each Committee)</u></p> <p><u>Article 30.</u> <u>Members and the Chairman of the Nominating Committee, the Audit Committee and the Compensation Committee shall be appointed from the Directors by a resolution of the Board of Directors.</u></p> <p><u>(Powers of Each Committee, etc.)</u></p> <p><u>Article 31.</u> <u>Each of the Nominating Committee, the Audit Committee and the Compensation Committee shall make decisions on the matters prescribed by laws and regulations, and respectively shall exercise their power which is required in performing their respective duties.</u></p> <p><u>2.</u> <u>Matters concerning each committee shall be pursuant to the provisions prescribed by the Board of Directors unless otherwise provided for in the laws and regulations or these Articles of Incorporation.</u></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p><u>CHAPTER V. AUDITORS AND BOARD OF AUDITORS</u></p>	<p><Deleted></p>
<p><u>(Fixed Number)</u></p>	
<p><u>Article 31.</u> <u>The Auditors of the Company shall be not more than seven (7) in number.</u></p>	<p><Deleted></p>
<p><u>(Election)</u></p>	
<p><u>Article 32.</u> <u>The Auditors shall be elected by a resolution of the General Meeting of Shareholders which shall be adopted by a majority of the votes of the shareholders present who shall represent one-third or more of the voting rights of the shareholders entitled to exercise voting rights.</u></p>	<p><Deleted></p>
<p><u>(Term of Office)</u></p>	
<p><u>Article 33.</u> <u>The term of office of an Auditor shall expire upon conclusion of the Ordinary General Meeting of Shareholders to be convened with respect to the last business year falling within four (4) years following its election.</u></p>	<p><Deleted></p>
<p><u>2. The term of office of an Auditor elected to fill a vacancy shall be the same as the remaining term of office of the predecessor.</u></p>	
<p><u>(Standing Auditors)</u></p>	
<p><u>Article 34.</u> <u>By a resolution of the Board of Auditors, a number of Standing Auditors shall be appointed. Standing Auditors shall serve on a full-time basis.</u></p>	<p><Deleted></p>
<p><u>(Notice for Convening of the Board of Auditors)</u></p>	
<p><u>Article 35.</u> <u>Notice for convening a meeting of the Board of Auditors shall be dispatched to each Auditor at least two (2) days prior to the date set for such meeting. Provided, however, that the said period may be shortened in case of urgent necessity.</u></p>	<p><Deleted></p>
<p><u>(Manner for Adopting Resolutions of the Board of Auditors)</u></p>	
<p><u>Article 36.</u> <u>Unless otherwise provided for in the laws and regulations, a resolution of the Board of Auditors shall be adopted by a majority vote of the Auditors.</u></p>	<p><Deleted></p>
<p><u>(Release of Auditors' Responsibilities)</u></p>	
<p><u>Article 37.</u> <u>Pursuant to the provision of Article 426,</u></p>	<p><Deleted></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p><u>by a resolution of the Board of Directors, release Auditors from their respective responsibilities under Article 423, Paragraph 1 thereof to the extent permitted by laws and regulations if they had performed their duties in good faith without being grossly negligent.</u></p>	
<p><Newly Established></p>	<p style="text-align: center;"><u>CHAPTER V. EXECUTIVE OFFICER</u></p>
<p><Newly Established></p>	<p><u>(Election)</u> <u>Article 32.</u> <u>The Executive Officers shall be elected by a resolution of the Board of Directors.</u></p>
<p><Newly Established></p>	<p><u>(Term of Office)</u> <u>Article 33.</u> <u>The term of office of an Executive Officer shall expire upon conclusion of the meeting of the Board of Directors convened for the first time after the Ordinary General Meeting of Shareholders to be convened with respect to the last business year falling within one (1) year following its election.</u> <u>2. The term of office of an Executive Officer elected to fill a vacancy or to meet increase of the number shall be the same as the remaining term of office of the predecessor or of the other Executive Officers then in office, respectively.</u></p>
<p><Newly Established></p>	<p><u>(Representative Executive Officers)</u> <u>Article 34.</u> <u>By a resolution of the Board of Directors, the Representative Executive Officers shall be appointed from the Executive Officers.</u></p>
<p><Newly Established></p>	<p><u>(Executive Officers with Special Titles)</u> <u>Article 35.</u> <u>By a resolution of the Board of Directors, one President and Executive Officer shall be appointed, and a number of Executive Vice Presidents and Executive Officers and other Executive Officers with special titles may be appointed.</u></p>
<p><Newly Established></p>	<p><u>(Release of Executive Officers' Responsibilities)</u> <u>Article 36.</u> <u>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, release Executive Officers from their respective responsibilities under Article 423, Paragraph 1 thereof to the extent permitted by laws and regulations if they</u></p>

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p>(Business Year) Article 38. <Provision omitted> through (Period of Exclusion on Distribution of Surplus) Article 40. <Provision omitted></p> <p style="text-align: center;"><Newly Established></p> <p style="text-align: center;"><Newly Established></p>	<p><u>had performed their duties in good faith without being grossly negligent.</u></p> <p>(Business Year) Article 37. <Same as the current provision> through (Period of Exclusion on Distribution of Surplus) Article 39. <Same as the current provision></p> <p style="text-align: center;"><u>SUPPLEMENTARY PROVISIONS</u></p> <p>(Transitional Measure) <u>Article 1. With respect to the Auditors' responsibilities before the conclusion of the Eighty Eighth Ordinary General Meeting of Shareholders, the provision set forth in Article 37 of the Articles of Incorporation before the revision at the said General Meeting of Shareholders shall remain effective.</u></p>

(All of the following are newly introduced)

Revisions to Articles of Incorporation
<p>Attachment 1</p> <p style="text-align: center;"><u>Specifications of Class A Preferred Shares</u></p> <p>1. Distribution of Surplus</p> <p>(1) Class A Preferred Year-End Dividends</p> <p>If the Company is to pay year-end dividends, it shall pay to shareholders who hold the Class A Preferred Shares (“Class A Preferred Shareholders”) or registered Class A Preferred Share pledgees (“Registered Class A Preferred Share Pledgees”) entered or recorded in the Register of Shareholders as of the end of the record date pertaining to such year-end dividends, in preference to shareholders who hold Common Shares (“Common Shareholders”) or registered Common Share pledgees (“Registered Common Share Pledgees”), year-end dividends of surplus for each Class A Preferred Share in an amount calculated by multiplying the amount paid in per Class A Preferred Share (200 yen; provided that if the Class A Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted) by the annual dividend rate provided for in Item (2) below (calculated to the three decimal places denominated in yen and rounded to the two decimal places) (“Class A Preferred Dividend Annual Rate”) (the amount so calculated will be referred to as the “Class A Preferred Dividend Base Amount”). However, that if the Class A Preferred Interim Dividends provided for in Item (3) below have been paid to Class A Preferred Shareholders or Registered Class A Preferred Share Pledgees in the business year which includes such record date, the amount so paid shall be deducted accordingly from the amount of such year-end dividends.</p> <p>(2) Class A Preferred Dividend Annual Rate</p> <p>Class A Preferred Dividend Annual Rate = Twelve (12)-month Japanese Yen TIBOR + 0.25%</p> <p>The Class A Preferred Dividend Annual Rate shall be calculated on a percentage basis to the four decimal places and rounded to the three decimal places. In the formula provided above, the “Twelve (12)-month Japanese Yen</p>

Revisions to Articles of Incorporation

TIBOR” shall be the rate published by the Japanese Bankers Association as the Twelve (12)-month Japanese Yen Tokyo Inter Bank Offered Rate (Japanese Yen TIBOR) as of 11:00 a.m. on the first day of each business year (or, if such day is a bank holiday, then the immediately preceding bank business day) (the “Class A Preferred Dividend Annual Rate Determination Date”), or any rate which is considered to be equivalent thereto. In the case where Twelve (12)-month Japanese Yen TIBOR is not published on such day and time, the rate published by the British Bankers’ Association (BBA) as the London Inter Bank Offered Rate (Twelve (12)-month Euro Yen LIBOR (quoted on a 360 day basis)) appearing on Reuters page 3750 as of 11:00 a.m., London Time, on the Class A Preferred Dividend Annual Rate Determination Date (or, if such day is a bank holiday in London, then the immediately preceding bank business day in London), or any rate which is considered to be equivalent thereto, shall be used in place of the Twelve (12)-month Japanese Yen TIBOR.

(3) Class A Preferred Interim Dividends

If the Company is to pay interim dividends, it shall pay to Class A Preferred Shareholders or Registered Class A Preferred Share Pledges entered or recorded in the Register of Shareholders as of the end of the record date pertaining to such interim dividends, in preference to Common Shareholders or Registered Common Share Pledges, interim dividends of surplus for each Class A Preferred Share in an amount determined by a resolution adopted at a meeting of the Board of Directors (the “Class A Preferred Interim Dividends”) up to one-half of the Class A Preferred Dividend Base Amount.

(4) Non-cumulative Clause

If the amount of distribution of surplus per Class A Preferred Share paid to a Class A Preferred Shareholder or Registered Class A Preferred Share Pledgee in any particular business year does not reach the Class A Preferred Dividend Base Amount, the shortfall amount per Class A Preferred Share shall not accumulate and carry over to subsequent business years.

(5) Non-participation Clause

No distribution of surplus in excess of the Class A Preferred Dividend Base Amount shall be paid to Class A Preferred Shareholders or Registered Class A Preferred Share Pledges, except for (i) distribution of surplus provided for in Article 758, Item 8(b) of the Companies Act or Article 760, Item 7(b) thereof, which may be paid in the process of an absorption-type company split by the Company, or (ii) distribution of surplus provided for in Article 763, Item 12(b) thereof or Article 765, Paragraph 1, Item 8(b) thereof, which may be paid in the process of an incorporation-type company split by the Company.

(6) Order of Priority

The Class A Preferred Shares and the Class B Preferred Shares shall have the same order of priority in respect of payment of distribution of surplus.

2. Distribution of Residual Assets

(1) Class A Preferred Distribution Amount of Residual Assets

If the Company is to distribute residual assets, it shall pay to Class A Preferred Shareholders or Registered Class A Preferred Share Pledges, in preference to Common Shareholders or Registered Common Share Pledges, an amount for each Class A Preferred Share equal to the amount paid in per Class A Preferred Share (provided that if the Class A Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted) plus the Amount Equal to Accrued Class A Preferred Dividends provided for in Item (3) below.

(2) Non-participation Clause

No distribution of residual assets shall be made to Class A Preferred Shareholders or Registered Class A Preferred Share Pledges, except as provided for in Item (1) above.

(3) Amount Equal to Accrued Class A Preferred Dividends

Revisions to Articles of Incorporation

The Amount Equal to Accrued Class A Preferred Dividends shall mean, as of the day on which residual assets are distributed (the “Distribution Date”), the amount calculated by multiplying the number of days in the period from the first day (inclusive) of the business year which includes the Distribution Date to the Distribution Date (inclusive) by the Class A Preferred Dividend Base Amount, and then dividing that product by 365 (calculated to the three decimal places denominated in yen and rounded up to the two decimal places). However, that if the Class A Preferred Interim Dividends have been paid to Class A Preferred Shareholders or Registered Class A Preferred Share Pledgees in the business year which includes the Distribution Date, the amount so paid shall be deducted accordingly from the amount of such Amount Equal to Accrued Class A Preferred Dividends.

(4) Order of Priority

The Class A Preferred Shares and the Class B Preferred Shares shall have the same order of priority in respect of distribution of residual assets.

3. Voting Rights

Class A Preferred Shareholders shall have the voting rights at the General Meeting of Shareholders. One hundred (100) shares shall constitute one unit of the Class A Preferred Shares.

4. Put Option with Common Shares as Consideration

(1) Put Option with Common Shares as Consideration

Each Class A Preferred Shareholder is entitled to request the Company, at any time on or after the day on which an amount to be paid in for the Class A Preferred Shares was paid, to acquire all or part of the Class A Preferred Shares held by such Class A Preferred Shareholder in accordance with laws and regulations (the “Put Option with Common Shares as Consideration”) in exchange for the delivery of Common Shares in such number as provided for in Item (2) below (the “Common Shares Subject to Put Option”), and the Company shall deliver the Common Shares Subject to Put Option to such Class A Preferred Shareholder to the extent permitted under laws and regulations in exchange for acquiring the Class A Preferred Shares subject to such Put Option with Common Shares as Consideration.

However, if, as of the day on which the Put Option with Common Shares as Consideration is exercised by a Class A Preferred Shareholder pursuant to this paragraph (the “Put Option Date with Common Shares as Consideration”), the Number of Residual Authorized Shares (as defined below; here and hereinafter the same) is less than the Aggregate Number of Common Shares Subject to Put Option (as defined below; here and hereinafter the same), the Put Option with Common Shares as Consideration shall become effective only with respect to the Class A Preferred Shares in a number (calculated to the one decimal place and rounded down to the nearest whole number; if less than zero (0), then such number shall be zero (0)) obtained by multiplying (i) the number of the Class A Preferred Shares subject to the Put Option with Common Shares as Consideration exercised by each Class A Preferred Shareholder by (ii) the number obtained by dividing the Number of Residual Authorized Shares by the Aggregate Number of Common Shares Subject to Put Option, and no Put Option with Common Shares as Consideration shall be deemed to have been exercised with respect to the Class A Preferred Shares subject to the Put Option with Common Shares as Consideration other than those Class A Preferred Shares with respect to which the Put Option with Common Shares as Consideration becomes effective. Upon such partial acquisition, the Class A Preferred Shares to be so acquired shall be determined by a lottery, a pro rata allotment in proportion to the number of the Class A Preferred Shares subject to the Put Option with Common Shares as Consideration, or any other reasonable method determined by the Board of Directors of the Company.

The “Number of the Residual Authorized Shares” shall mean the number that represents the difference between (I) the total number of shares to be issued by the Company as of the Put Option Date with Common Shares as Consideration and (II) the sum of (i) the number of issued shares (excluding treasury stock (limited to the

Revisions to Articles of Incorporation

Common Shares)) as of such Put Option Date with Common Shares as Consideration and (ii) the number of shares that the holders of new share subscription rights (excluding those which the first day of the period provided for in Article 236, Paragraph 1, Item 4 of the Companies Act has not arrived) as of such Put Option Date with Common Shares as Consideration acquire pursuant to the provisions of Article 282 of the Companies Act.

The “Aggregate Number of Common Shares Subject to Put Option” shall mean the number (calculated to the one decimal place and rounded up to the nearest whole number) obtained by dividing by the relevant exercise price as provided for in Items (3) through (5) below as of such Put Option Date with Common Shares as Consideration the amount obtained by multiplying the number of the Class A Preferred Shares with respect to which a Class A Preferred Shareholder exercises the Put Option with Common Shares as Consideration on such Put Option Date with Common Shares as Consideration by the amount to be paid in per Class A Preferred Share (provided that if the Class A Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted).

(2) Number of Common Shares to be Delivered in Exchange for Acquisition of Class A Preferred Shares

The number of Common Shares to be delivered in exchange for acquisition of Class A Preferred Shares shall be the number obtained by dividing by the exercise price provided for in Items (3) through (5) below the amount obtained by multiplying the number of the Class A Preferred Shares subject to the Put Option with Common Shares as Consideration by the amount to be paid in per Class A Preferred Share (provided that, if the Class A Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted). Any fraction of a share that arises in the total number of Common Shares to be delivered in exchange for the acquisition of Class A Preferred Shares subject to the Put Option with Common Shares as Consideration shall be discarded, and in such case, the payment of money shall be made pursuant to Article 167, Paragraph 3 of the Companies Act.

(3) Initial Exercise Price

The initial exercise price shall be 200 yen.

(4) Revision of the Exercise Price

On or after the day immediately after the day on which an amount to be paid in for Class A Preferred Shares was paid, the exercise price shall be revised to an amount (calculated to the two decimal places denominated in yen and rounded to the one decimal place) equal to ninety (90) % of the Market Price as of the Put Option Date with Common Shares as Consideration (as defined below) (hereinafter the exercise price after such revision shall be referred to as the “Revised Exercise Price”). However, if the Revised Exercise Price exceeds 300 yen (the “Maximum Exercise Price”), then the Revised Exercise Price shall be the Maximum Exercise Price, and if the Revised Exercise Price falls below 30 yen (the “Minimum Exercise Price”), then the Revised Exercise Price shall be the Minimum Exercise Price. Each of the Maximum Exercise Price and the Minimum Exercise Price shall be subject to adjustment provided for in Item (5) below.

“Market Price as of the Put Option Date with Common Shares as Consideration” shall mean the average of the daily closing price (including the value of quotation) of Common Shares of the Company in regular trading on the Tokyo Stock Exchange, Inc. for the five (5) consecutive trading days (excluding any day on which there was no closing price, and the average shall be calculated to the two decimal places denominated in yen and rounded to the one decimal place) immediately prior to each Put Option Date with Common Shares as Consideration (the “Exercise Price Calculation Period”). However, if the Class A Preferred Shareholder and the Company execute a primary underwriting agreement under the Financial Instruments and Exchange Act with a financial instruments firm or registered financial institution for the purpose of a secondary offering of the Common Shares Subject to Put Option (including the case where the Class A Preferred Shareholder and the Company execute an agreement similar to such primary underwriting agreement with a foreign securities brokers for the purpose of a secondary offering of the Common Shares Subject to Put Option outside Japan), when a Class A Preferred Shareholder will

Revisions to Articles of Incorporation

exercise the Put Option with Common Shares as Consideration from the day immediately after the day on which the Company released that such primary underwriting agreement was executed to the day immediately before the delivery date of such secondary offering, the Exercise Price Calculation Period shall be twenty (20) consecutive trading days commencing on the 120th trading day prior to the day on which the Company released that the decision relating to such secondary offering is made. If, during the Exercise Price Calculation Period, any of the events provided for in Item (5) below occurs, the average of the daily closing price (including the value of quotation) referred to above shall be revised to a price that the Company deems appropriate in a manner similar to that provided for in Item (5) below.

(5) Adjustment of the Exercise Price, the Maximum Exercise Price and the Minimum Exercise Price

(a) If any of the events provided for below occurs, the exercise price, the Maximum Exercise Price and the Minimum Exercise Price shall be adjusted as follows (however, the exercise price shall be adjusted pursuant to this Item (5) only where any of the events provided for below occurs during the period from when the closing price (including the value of quotation) of Common Shares of the Company in regular trading is fixed on the last day of the Exercise Price Calculation Period to when the Put Option with Common Shares as Consideration is exercised.):

(i) If the Common Shares are subject to a share split or gratis allotment of shares, the exercise price shall be adjusted in accordance with the following formula. In the case of a gratis allotment of shares, the “number of issued Common Shares before split” and the “number of issued Common Shares after split” in the following formula shall be deemed to be replaced with the “number of issued Common Shares before gratis allotment (excluding, however, any Common Shares held by the Company at that time)” and the “number of issued Common Shares after gratis allotment (excluding, however, any Common Shares held by the Company at that time)”, respectively.

$$\begin{array}{r} \text{Exercise} \\ \text{price after} \\ \text{adjustment} \end{array} = \begin{array}{r} \text{Exercise} \\ \text{price before} \\ \text{adjustment} \end{array} \times \frac{\text{number of issued Common Shares before split}}{\text{number of issued Common Shares after split}}$$

The exercise price after adjustment shall apply starting on the day immediately after the record date for the share split, or the effective date of the gratis allotment of shares (or, if a record date for the gratis allotment of shares has been set, such record date).

(ii) If the Common Shares of the Company are subject to a share consolidation, the exercise price will be adjusted in accordance with the following formula from the effective date of the share consolidation.

$$\begin{array}{r} \text{Exercise} \\ \text{price after} \\ \text{adjustment} \end{array} = \begin{array}{r} \text{Exercise} \\ \text{price before} \\ \text{adjustment} \end{array} \times \frac{\text{number of issued Common Shares before consolidation}}{\text{number of issued Common Shares after consolidation}}$$

(iii) If the Company issues Common Shares or disposes of Common Shares held by the Company at an amount to be paid in that falls below the market price per Common Share provided for in Item (d) below (excluding in the case of a gratis allotment of shares, the case of an acquisition of shares or new share subscription rights (which includes new share subscription rights attached to bonds with new share subscription rights; the same applies below in this Item (5)) to be acquired in exchange for the delivery of Common Shares, the case of exercise of new share subscription rights the underlying shares of which are Common Shares, or the case of a delivery of Common Shares because of a merger, share exchange or corporate split), the exercise price shall be adjusted in accordance with the formula provided for below (the “Exercise Price Adjustment Formula”). The exercise price after adjustment shall apply

Revisions to Articles of Incorporation

starting on the day immediately after the payment date (or, if a payment period has been provided for, the last day of such payment period), or, if a record date for an allotment to shareholders has been provided for, starting on the day immediately after such record date (the “Shareholder Allotment Date”).

In the case that the Company disposes of Common Shares held by it, the “number of Common Shares to be newly issued” and “number of Common Shares held by the Company” in the following formula shall be deemed to be replaced with “number of Common Shares held by the Company to be disposed of” and “number of Common Shares held by the Company immediately before the disposal”, respectively.

$$\begin{array}{rcccl}
 & & & & \text{number of Common} \\
 & & & & \text{Shares to be newly} \\
 & & & & \text{issued} \times \text{amount to be} \\
 & & & + & \text{paid in per share} \\
 \text{Exercise} & & \text{Exercise} & & \\
 \text{price after} & = & \text{price before} & \times & \text{of Common Shares held} \\
 \text{adjustment} & & \text{adjustment} & & \text{by the Company)} \\
 & & & & \hline
 & & & & \text{(number of issued Common Shares - number of shares} \\
 & & & & \text{held by the Company) + number of Common Shares to} \\
 & & & & \text{be newly issued}
 \end{array}$$

- (iv) If the Company issues or disposes of any shares (including by way of a gratis allotment of shares) that entitle their holder to, by causing the Company to acquire or by being acquired by the Company, receive Common Shares at an exercise price per Common Share which falls below the market price per Common Share provided for in Item (d) below, all the shares issued or disposed of shall be deemed to have been acquired on the initial terms and conditions and Common Shares shall be deemed to have been delivered on the payment date for such shares (or, if a payment period has been provided for, the last day of such payment period; here and hereinafter the same in this Item (iv)), or in the case of a gratis allotment of shares, on the effective date thereof (or, if a record date for the gratis allotment of shares has been provided for, such record date; here and hereinafter the same in this Item (iv)), or if there is a Shareholder Allotment Date, on such date, and the amount as the “amount to be paid in per share” in the Exercise Price Adjustment Formula calculated by using such amount shall be the exercise price after adjustment. The exercise price after adjustment shall apply starting on the day immediately after the payment date, in the case of a gratis allotment of shares, on the day immediately after the effective date thereof, or if there is a Shareholder Allotment Date, on the day immediately after such date.
- (v) If the Company issues new share subscription rights (including by way of a gratis allotment of new share subscription rights) that entitle their holder to, by being exercised or by being acquired by the Company, receive Common Shares at a price of the sum of the amount to be paid in for the new share subscription rights per Common Share and the assets to be contributed on exercise of the new share subscription rights which falls below the market price per Common Share provided for in Item (d) below, all the new share subscription rights issued shall be deemed to have been exercised or acquired on the initial terms and conditions and Common Shares shall be deemed to have been delivered on the allotment date for the new share subscription rights, in the case of a gratis allotment of new share subscription rights, on the effective date thereof (or, if a record date for the gratis allotment of new share subscription rights has been provided for, such record date; here and hereinafter the same in this Item (v)) or if there is a Shareholder Allotment Date, on such date, and the amount as the “amount to be paid in per share” in the Exercise Price Adjustment Formula calculated by using the sum of the amount to be

Revisions to Articles of Incorporation

paid in for the new share subscription rights per Common Share and the amount per Common Share of the assets to be contributed on exercise of the new share subscription rights shall be the Exercise Price after adjustment. The exercise price after adjustment shall apply starting on the day immediately after the date of allotment for such new share subscription rights, in the case of a gratis allotment of new share subscription rights, on the day immediately after the effective date thereof, or if there is a Shareholder Allotment Date, on the day immediately after such date.

- (b) In addition to the events provided for in Item (a) above, if any of the events in Item (i) through (iii) below occurs, the Company shall appropriately adjust the exercise price upon giving prior written notice to Class A Preferred Shareholders and Registered Class A Preferred Share Pledges to that effect and of the reasons for the event, the exercise price after adjustment, the day on which such adjustment applies and any other necessary matters:
- (i) Adjustment to the exercise price becomes necessary because of a merger, share exchange, acquisition of all issued shares of another company by way of a share exchange, share transfer, absorption-type company split, succession to all or part of the rights and obligations held by another company in relation to such company's business by way of an absorption-type company split, or incorporation-type company split;
 - (ii) Two or more events necessitating an adjustment to the exercise price occur in proximity to each other, and it becomes necessary to consider the effect of one of the events on the market price that ought to be used in calculating the exercise price after adjustment because of the other event(s); or
 - (iii) It otherwise becomes necessary to adjust the exercise price because of the occurrence of an event which changes or has the possibility of changing the number of issued Common Shares (excluding, however, the number of Common Shares held by the Company).
- (c) If a calculation becomes necessary in adjusting the exercise price, the calculation shall be made to the two decimal places and rounded to the one decimal place.
- (d) The market price per Common Share to be used in the Exercise Price Adjustment Formula shall be the average daily closing price (including the value of quotation) of the Common Shares of the Company in regular trading on the Tokyo Stock Exchange, Inc. for the thirty (30) consecutive trading days (excluding any day on which there was no closing price, and the average shall be calculated to the two decimal place denominated in yen and rounded to the one decimal place) commencing on the 45th trading day prior to the day on which the exercise price after adjustment is applied.
- (e) If, as a result of a calculation made in adjusting the exercise price, the difference between the exercise price after adjustment and the exercise price before adjustment is less than one (1) yen, no adjustment to the exercise price will be made.

(6) Reasonable Measures

The exercise price provided for in Item (iii) through (v) above shall be construed in terms of the prevention of dilution and the substantive fairness between holders of shares of different classes. If the calculation of the exercise price becomes difficult or the result of calculation becomes unreasonable, the Company's Board of Directors shall take the appropriate adjustment of the exercise price and other reasonably necessary measures.

5. Put Option with the Class B Preferred Shares as Consideration

(1) Put Option with the Class B Preferred Shares as Consideration

Each Class A Preferred Shareholder is entitled to request the Company, at any time on or after the day on which an amount to be paid in for the Class A Preferred Share was paid, to acquire all or part of the Class A Preferred Shares held by such Class A Preferred Shareholder in accordance with laws and regulations (the "Put Option with Class B Preferred Shares as Consideration") in exchange for the delivery of the Class B Preferred Shares in such number as

Revisions to Articles of Incorporation

provided for in Item (2) below (the “Class B Preferred Shares Subject to Put Option”), and the Company shall deliver the Class B Preferred Shares Subject to Put Option to such Class A Preferred Shareholder to the extent permitted under laws and regulations in exchange for acquiring the Class A Preferred Shares subject to such Put Option with Class B Preferred Shares as Consideration.

(2) Number of the Class B Preferred Shares to be Delivered in Exchange for Acquisition of the Class A Preferred Shares

The number of the Class B Preferred Shares to be delivered in exchange for acquisition of the Class A Preferred Shares shall be the number obtained by multiplying the number of the Class A Preferred Shares subject to the Put Option with Class B Preferred Shares as Consideration by 0.1. Any fraction of a share that arises in the total number of the Class B Preferred Shares to be delivered in exchange for the acquisition of the Class A Preferred Shares subject to the Put Option with Class B Preferred Shares as Consideration shall be discarded, and in such case, the payment of money shall be made pursuant to Article 167, Paragraph 3 of the Companies Act.

6. Share Consolidation or Split, Allotment of Shares Offered for Subscription, and Other Matters, etc.

(i) In the case of share consolidation or split, the Company will effectuate such share consolidation or split simultaneously and in the same proportion with respect to the Common Shares, the Class A Preferred Shares and the Class B Preferred Shares.

(ii) If the Company grants to its shareholders the right to receive the allotment of shares offered for subscription or new share subscription rights offered for subscription, the Company will grant to Common Shareholders the right to receive the allotment of Common Shares or new share subscription rights the underlying shares of which are the Common Shares, as the case may be, to Class A Preferred Shareholders the right to receive the allotment of the Class A Preferred Shares or new share subscription rights the underlying shares of which are the Class A Preferred Shares, as the case may be, and to Class B Preferred Shareholders the right to receive the allotment of Class B Preferred Shares or new share subscription rights the underlying shares of which are the Class B Preferred Shares, as the case may be, simultaneously and in the same proportion.

(iii) If the Company makes a gratis allotment of shares or new share subscription rights to its shareholders, the Company will make a gratis allotment of the Common Shares or new share subscription rights the underlying shares of which are the Common Shares, as the case may be, to Common Shareholders, a gratis allotment of the Class A Preferred Shares or new share subscription rights the underlying shares of which are the Class A Preferred Shares, as the case may be, to Class A Preferred Shareholders, and a gratis allotment of the Class B Preferred Shares or new share subscription rights the underlying shares of which are the Class B Preferred Shares, as the case may be, to Class B Preferred Shareholders, simultaneously and in the same proportion.

7. Changes in Laws and Regulations, etc.

If following a change or the like in laws or regulations it becomes necessary to change the wording of terms in this Exhibit 1 or take any other such measure, the Company’s Board of Directors shall take reasonably necessary measures.

Revisions to Articles of Incorporation

Attachment 2

Specifications of Class B Preferred Shares

1. Distribution of Surplus

(1) Class B Preferred Year-End Dividends

If the Company is to pay year-end dividends, it shall pay to shareholders who hold the Class B Preferred Shares (“Class B Preferred Shareholders”) or registered Class B Preferred Share pledgees (“Registered Class B Preferred Share Pledgees”) entered or recorded in the Register of Shareholders as of the end of the record date pertaining to such year-end dividends, in preference to shareholders who hold Common Shares (“Common Shareholders”) or registered Common Share pledgees (“Registered Common Share Pledgees”), year-end dividends of surplus for each Class B Preferred Share in an amount calculated by multiplying the amount paid in per Class B Preferred Share (2,000 yen; provided that if the Class B Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted) by the annual dividend rate provided for in Item (2) below (calculated to the three decimal places denominated in yen and rounded to the two decimal places) (“Class B Preferred Dividend Annual Rate”) (the amount so calculated will be referred to as the “Class B Preferred Dividend Base Amount”). However, that if the Class B Preferred Interim Dividends provided for in Item (3) below have been paid to Class B Preferred Shareholders or Registered Class B Preferred Share Pledgees in the business year which includes such record date, the amount so paid shall be deducted accordingly from the amount of such year-end dividends.

(2) Class B Preferred Dividend Annual Rate

Class B Preferred Dividend Annual Rate = Twelve (12)-month Japanese Yen TIBOR + 0.5%

The Class B Preferred Dividend Annual Rate shall be calculated on a percentage basis to the four decimal places and rounded to the three decimal places. In the formula provided above, the “Twelve (12)-month Japanese Yen TIBOR” shall be the rate published by the Japanese Bankers Association as the Twelve (12)-month Japanese Yen Tokyo Inter Bank Offered Rate (Japanese Yen TIBOR) as of 11:00 a.m. on the first day of each business year (or, if such day is a bank holiday, then the immediately preceding bank business day) (the “Class B Preferred Dividend Annual Rate Determination Date”), or any rate which is considered to be equivalent thereto. In the case where Twelve (12)-month Japanese Yen TIBOR is not published on such day and time, the rate published by the British Bankers’ Association (BBA) as the London Inter Bank Offered Rate (Twelve (12)-month Euro Yen LIBOR (quoted on a 360 day basis)) appearing on Reuters page 3750 as of 11:00 a.m., London Time, on the Class B Preferred Dividend Annual Rate Determination Date (or, if such day is a bank holiday in London, then the immediately preceding bank business day in London), or any rate which is considered to be equivalent thereto, shall be used in place of the Twelve (12)-month Japanese Yen TIBOR.

(3) Class B Preferred Interim Dividends

If the Company is to pay interim dividends, it shall pay to Class B Preferred Shareholders or Registered Class B Preferred Share Pledgees entered or recorded in the Register of Shareholders as of the end of the record date pertaining to such interim dividends, in preference to Common Shareholders or Registered Common Share Pledgees, interim dividends of surplus for each Class B Preferred Share in an amount determined by a resolution adopted at a meeting of the Board of Directors (the “Class B Preferred Interim Dividends”) up to one-half of the Class B Preferred Dividend Base Amount.

(4) Non-cumulative Clause

If the amount of distribution of surplus per Class B Preferred Share paid to a Class B Preferred Shareholder or Registered Class B Preferred Share Pledgee in any particular business year does not reach the Class B Preferred Dividend Base Amount, the shortfall amount per Class B Preferred Share shall not accumulate and carry over to subsequent business years.

(5) Non-participation Clause

No distribution of surplus in excess of the Class B Preferred Dividend Base Amount shall be paid to Class B Preferred Shareholders or Registered Class B Preferred Share Pledgees, except for (i) distribution of surplus provided for in Article 758, Item 8(b) of the Companies Act or Article 760, Item 7(b) thereof, which may be paid

in the process of an absorption-type company split by the Company, or (ii) distribution of surplus provided for in Article 763, Item 12(b) thereof or Article 765, Paragraph 1, Item 8(b) thereof, which may be paid in the process of an incorporation-type company split by the Company.

(6) Order of Priority

The Class A Preferred Shares and the Class B Preferred Shares shall have the same order of priority in respect of payment of distribution of surplus.

2. Distribution of Residual Assets

(1) Class B Preferred Distribution Amount of Residual Assets

If the Company is to distribute residual assets, it shall pay to Class B Preferred Shareholders or Registered Class B Preferred Share Pledges, in preference to Common Shareholders or Registered Common Share Pledges, an amount for each Class B Preferred Share equal to the amount paid in per Class B Preferred Share (provided that if the Class B Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted) plus the Amount Equal to Accrued Class B Preferred Dividends provided for in Item (3) below.

(2) Non-participation Clause

No distribution of residual assets shall be made to Class B Preferred Shareholders or Registered Class B Preferred Share Pledges, except as provided for in Item (1) above.

(3) Amount Equal to Accrued Class B Preferred Dividends

The Amount Equal to Accrued Class B Preferred Dividends shall mean, as of the day on which residual assets are distributed (the "Distribution Date"), the amount calculated by multiplying the number of days in the period from the first day (inclusive) of the business year which includes the Distribution Date to the Distribution Date (inclusive) by the Class B Preferred Dividend Base Amount, and then dividing that product by 365 (calculated to the three decimal places denominated in yen and rounded up to the two decimal places). However, that if the Class B Preferred Interim Dividends have been paid to Class B Preferred Shareholders or Registered Class B Preferred Share Pledges in the business year which includes the Distribution Date, the amount so paid shall be deducted accordingly from the amount of such Amount Equal to Accrued Class B Preferred Dividends.

(4) Order of Priority

The Class A Preferred Shares and the Class B Preferred Shares shall have the same order of priority in respect of distribution of residual assets.

3. Voting Rights

Unless otherwise provided for in the laws and regulations, Class B Preferred Shareholders shall not have the voting rights at the General Meeting of Shareholders. Ten (10) shares shall constitute one unit of the Class B Preferred Shares.

4. Put Option with Common Shares as Consideration

(1) Put Option with Common Shares as Consideration

Each Class B Preferred Shareholder is entitled to request the Company, at any time on or after the day on which an amount to be paid in for the Class B Preferred Shares was paid, to acquire all or part of the Class B Preferred Shares held by such Class B Preferred Shareholder in accordance with laws and regulations (the "Put Option with Common Shares as Consideration") in exchange for the delivery of Common Shares in such number as provided for in Item (2) below (the "Common Shares Subject to Put Option"), and the Company shall deliver the Common Shares Subject to Put Option to such Class B Preferred Shareholder to the extent permitted under laws and regulations in exchange for acquiring the Class B Preferred Shares subject to such Put Option with Common Shares as Consideration.

However, if, as of the day on which the Put Option with Common Shares as Consideration is exercised by a Class

B Preferred Shareholder pursuant to this paragraph (the “Put Option Date with Common Shares as Consideration”), the Number of Residual Authorized Shares (as defined below; here and hereinafter the same) is less than the Aggregate Number of Common Shares Subject to Put Option (as defined below; here and hereinafter the same), the Put Option with Common Shares as Consideration shall become effective only with respect to the Class B Preferred Shares in a number (calculated to the one decimal place and rounded down to the nearest whole number; if less than zero (0), then such number shall be zero (0)) obtained by multiplying (i) the number of the Class B Preferred Shares subject to the Put Option with Common Shares as Consideration exercised by each Class B Preferred Shareholder by (ii) the number obtained by dividing the Number of Residual Authorized Shares by the Aggregate Number of Common Shares Subject to Put Option, and no Put Option with Common Shares as Consideration shall be deemed to have been exercised with respect to the Class B Preferred Shares subject to the Put Option with Common Shares as Consideration other than those Class B Preferred Shares with respect to which the Put Option with Common Shares as Consideration becomes effective. Upon such partial acquisition, the Class B Preferred Shares to be so acquired shall be determined by a lottery, a pro rata allotment in proportion to the number of the Class B Preferred Shares subject to the Put Option with Common Shares as Consideration, or any other reasonable method determined by the Board of Directors of the Company.

The “Number of the Residual Authorized Shares” shall mean the number that represents the difference between (I) the total number of shares to be issued by the Company as of the Put Option Date with Common Shares as Consideration and (II) the sum of (i) the number of issued shares (excluding treasury stock (limited to the Common Shares)) as of such Put Option Date with Common Shares as Consideration and (ii) the number of shares that the holders of new share subscription rights (excluding those which the first day of the period provided for in Article 236, Paragraph 1, Item 4 of the Companies Act has not arrived) as of such Put Option Date with Common Shares as Consideration acquire pursuant to the provisions of Article 282 of the Companies Act.

The “Aggregate Number of Common Shares Subject to Put Option” shall mean the number (calculated to the one decimal place and rounded up to the nearest whole number) obtained by dividing by the relevant exercise price as provided for in Items (3) through (5) below as of such Put Option Date with Common Shares as Consideration the amount obtained by multiplying the number of the Class B Preferred Shares with respect to which a Class B Preferred Shareholder exercises the Put Option with Common Shares as Consideration on such Put Option Date with Common Shares as Consideration by the amount to be paid in per Class B Preferred Share (provided that if the Class B Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted).

(2) Number of Common Shares to be Delivered in Exchange for Acquisition of Class B Preferred Shares

The number of Common Shares to be delivered in exchange for acquisition of Class B Preferred Shares shall be the number obtained by dividing by the exercise price provided for in Items (3) through (5) below the amount obtained by multiplying the number of the Class B Preferred Shares subject to the Put Option with Common Shares as Consideration by the amount to be paid in per Class B Preferred Share (provided that, if the Class B Preferred Shares have been subject to a share split, gratis allotment of shares, share consolidation, or any other similar event, such amount will be appropriately adjusted). Any fraction of a share that arises in the total number of Common Shares to be delivered in exchange for the acquisition of Class B Preferred Shares subject to the Put Option with Common Shares as Consideration shall be discarded, and in such case, the payment of money shall be made pursuant to Article 167, Paragraph 3 of the Companies Act.

(3) Initial Exercise Price

The initial exercise price shall be 200 yen.

(4) Revision of the Exercise Price

On or after the day immediately after the day on which an amount to be paid in for Class B Preferred Shares was paid, the exercise price shall be revised to an amount (calculated to the two decimal places denominated in yen and rounded to the one decimal place) equal to ninety (90) % of the Market Price as of the Put Option Date with

Common Shares as Consideration (as defined below) (hereinafter the exercise price after such revision shall be referred to as the “Revised Exercise Price”). However, if the Revised Exercise Price exceeds 300 yen (the “Maximum Exercise Price”), then the Revised Exercise Price shall be the Maximum Exercise Price, and if the Revised Exercise Price falls below 30 yen (the “Minimum Exercise Price”), then the Revised Exercise Price shall be the Minimum Exercise Price. Each of the Maximum Exercise Price and the Minimum Exercise Price shall be subject to adjustment provided for in Item (5) below.

“Market Price as of the Put Option Date with Common Shares as Consideration” shall mean the average of the daily closing price (including the value of quotation) of Common Shares of the Company in regular trading on the Tokyo Stock Exchange, Inc. for the five (5) consecutive trading days (excluding any day on which there was no closing price, and the average shall be calculated to the two decimal places denominated in yen and rounded to the one decimal place) immediately prior to each Put Option Date with Common Shares as Consideration (the “Exercise Price Calculation Period”). However, if the Class B Preferred Shareholder and the Company execute a primary underwriting agreement under the Financial Instruments and Exchange Act with a financial instruments firm or registered financial institution for the purpose of a secondary offering of the Common Shares Subject to Put Option (including the case where the Class B Preferred Shareholder and the Company execute an agreement similar to such primary underwriting agreement with a foreign securities brokers for the purpose of a secondary offering of the Common Shares Subject to Put Option outside Japan), when a Class B Preferred Shareholder will exercise the Put Option with Common Shares as Consideration from the day immediately after the day on which the Company released that such primary underwriting agreement was executed to the day immediately before the delivery date of such secondary offering, the Exercise Price Calculation Period shall be twenty (20) consecutive trading days commencing on the 120th trading day prior to the day on which the Company released that the decision relating to such secondary offering is made. If, during the Exercise Price Calculation Period, any of the events provided for in Item (5) below occurs, the average of the daily closing price (including the value of quotation) referred to above shall be revised to a price that the Company deems appropriate in a manner similar to that provided for in Item (5) below.

(5) Adjustment of the Exercise Price, the Maximum Exercise Price and the Minimum Exercise Price

(a) If any of the events provided for below occurs, the exercise price, the Maximum Exercise Price and the Minimum Exercise Price shall be adjusted as follows (however, the exercise price shall be adjusted pursuant to this Item (5) only where any of the events provided for below occurs during the period from when the closing price (including the value of quotation) of Common Shares of the Company in regular trading is fixed on the last day of the Exercise Price Calculation Period to when the Put Option with Common Shares as Consideration is exercised.):

(i) If the Common Shares are subject to a share split or gratis allotment of shares, the exercise price shall be adjusted in accordance with the following formula. In the case of a gratis allotment of shares, the “number of issued Common Shares before split” and the “number of issued Common Shares after split” in the following formula shall be deemed to be replaced with the “number of issued Common Shares before gratis allotment (excluding, however, any Common Shares held by the Company at that time)” and the “number of issued Common Shares after gratis allotment (excluding, however, any Common Shares held by the Company at that time)”, respectively.

$$\begin{array}{l} \text{Exercise price} \\ \text{after adjustment} \end{array} = \begin{array}{l} \text{Exercise} \\ \text{price before} \\ \text{adjustment} \end{array} \times \frac{\text{number of issued Common Shares before split}}{\text{number of issued Common Shares after split}}$$

The exercise price after adjustment shall apply starting on the day immediately after the record date for the share split, or the effective date of the gratis allotment of shares (or, if a record date for the gratis allotment of shares has been set, such record date).

- (ii) If the Common Shares of the Company are subject to a share consolidation, the exercise price will be adjusted in accordance with the following formula from the effective date of the share consolidation.

$$\begin{array}{rcl} \text{Exercise} & & \text{Exercise} \\ \text{price after} & = & \text{price before} \\ \text{adjustment} & & \text{adjustment} \end{array} \times \frac{\text{number of issued Common Shares before consolidation}}{\text{number of issued Common Shares after consolidation}}$$

- (iii) If the Company issues Common Shares or disposes of Common Shares held by the Company at an amount to be paid in that falls below the market price per Common Share provided for in Item (d) below (excluding in the case of a gratis allotment of shares, the case of an acquisition of shares or new share subscription rights (which includes new share subscription rights attached to bonds with new share subscription rights; the same applies below in this Item (5)) to be acquired in exchange for the delivery of Common Shares, the case of exercise of new share subscription rights the underlying shares of which are Common Shares, or the case of a delivery of Common Shares because of a merger, share exchange or corporate split), the exercise price shall be adjusted in accordance with the formula provided for below (the "Exercise Price Adjustment Formula"). The exercise price after adjustment shall apply starting on the day immediately after the payment date (or, if a payment period has been provided for, the last day of such payment period), or, if a record date for an allotment to shareholders has been provided for, starting on the day immediately after such record date (the "Shareholder Allotment Date").

In the case that the Company disposes of Common Shares held by it, the "number of Common Shares to be newly issued" and "number of Common Shares held by the Company" in the following formula shall be deemed to be replaced with "number of Common Shares held by the Company to be disposed of" and "number of Common Shares held by the Company immediately before the disposal", respectively.

$$\begin{array}{rcl} \text{Exercise} & & \text{Exercise} \\ \text{price after} & = & \text{price before} \\ \text{adjustment} & & \text{adjustment} \end{array} \times \frac{\begin{array}{l} \text{(number of issued} \\ \text{Common Shares -} \\ \text{number of Common} \\ \text{Shares held by the} \\ \text{Company)} \end{array} + \frac{\begin{array}{l} \text{number of Common} \\ \text{Shares to be newly} \\ \text{issued} \times \text{amount to be} \\ \text{paid in per share} \end{array}}{\begin{array}{l} \text{market price per} \\ \text{Common Share} \end{array}}}{\begin{array}{l} \text{(number of issued Common Shares - number of shares} \\ \text{held by the Company) + number of Common Shares to} \\ \text{be newly issued} \end{array}}$$

- (iv) If the Company issues or disposes of any shares (including by way of a gratis allotment of shares) that entitle their holder to, by causing the Company to acquire or by being acquired by the Company, receive Common Shares at an exercise price per Common Share which falls below the market price per Common Share provided for in Item (d) below, all the shares issued or disposed of shall be deemed to have been acquired on the initial terms and conditions and Common Shares shall be deemed to have been delivered on the payment date for such shares (or, if a payment period has been provided for, the last day of such payment period; here and hereinafter the same in this Item (iv)), or in the case of a gratis allotment of shares, on the effective date thereof (or, if a record date for the gratis allotment of shares has been provided for, such record date; here and hereinafter the same in this Item (iv)), or if there is a Shareholder Allotment Date, on such date, and the amount as the "amount to be paid in per share" in the Exercise Price Adjustment Formula calculated by using such amount shall be the exercise price after

adjustment. The exercise price after adjustment shall apply starting on the day immediately after the payment date, in the case of a gratis allotment of shares, on the day immediately after the effective date thereof, or if there is a Shareholder Allotment Date, on the day immediately after such date.

- (v) If the Company issues new share subscription rights (including by way of a gratis allotment of new share subscription rights) that entitle their holder to, by being exercised or by being acquired by the Company, receive Common Shares at a price of the sum of the amount to be paid in for the new share subscription rights per Common Share and the assets to be contributed on exercise of the new share subscription rights which falls below the market price per Common Share provided for in Item (d) below, all the new share subscription rights issued shall be deemed to have been exercised or acquired on the initial terms and conditions and Common Shares shall be deemed to have been delivered on the allotment date for the new share subscription rights, in the case of a gratis allotment of new share subscription rights, on the effective date thereof (or, if a record date for the gratis allotment of new share subscription rights has been provided for, such record date; here and hereinafter the same in this Item (v)) or if there is a Shareholder Allotment Date, on such date, and the amount as the “amount to be paid in per share” in the Exercise Price Adjustment Formula calculated by using the sum of the amount to be paid in for the new share subscription rights per Common Share and the amount per Common Share of the assets to be contributed on exercise of the new share subscription rights shall be the Exercise Price after adjustment. The exercise price after adjustment shall apply starting on the day immediately after the date of allotment for such new share subscription rights, in the case of a gratis allotment of new share subscription rights, on the day immediately after the effective date thereof, or if there is a Shareholder Allotment Date, on the day immediately after such date.
- (b) In addition to the events provided for in Item (a) above, if any of the events in Item (i) through (iii) below occurs, the Company shall appropriately adjust the exercise price upon giving prior written notice to Class B Preferred Shareholders and Registered Class B Preferred Share Pledges to that effect and of the reasons for the event, the exercise price after adjustment, the day on which such adjustment applies and any other necessary matters:
 - (i) Adjustment to the exercise price becomes necessary because of a merger, share exchange, acquisition of all issued shares of another company by way of a share exchange, share transfer, absorption-type company split, succession to all or part of the rights and obligations held by another company in relation to such company’s business by way of an absorption-type company split, or incorporation-type company split;
 - (ii) Two or more events necessitating an adjustment to the exercise price occur in proximity to each other, and it becomes necessary to consider the effect of one of the events on the market price that ought to be used in calculating the exercise price after adjustment because of the other event(s); or
 - (iii) It otherwise becomes necessary to adjust the exercise price because of the occurrence of an event which changes or has the possibility of changing the number of issued Common Shares (excluding, however, the number of Common Shares held by the Company).
- (c) If a calculation becomes necessary in adjusting the exercise price, the calculation shall be made to the two decimal places and rounded to the one decimal place.
- (d) The market price per Common Share to be used in the Exercise Price Adjustment Formula shall be the average daily closing price (including the value of quotation) of the Common Shares of the Company in regular trading on the Tokyo Stock Exchange, Inc. for the thirty (30) consecutive trading days (excluding any day on which there was no closing price, and the average shall be calculated to the two decimal place denominated in yen and rounded to the one decimal place) commencing on the 45th trading day prior to the day on which the exercise price after adjustment is applied.
- (e) If, as a result of a calculation made in adjusting the exercise price, the difference between the exercise price

after adjustment and the exercise price before adjustment is less than one (1) yen, no adjustment to the exercise price will be made.

(6) Reasonable Measures

The exercise price provided for in Item (iii) through (v) above shall be construed in terms of the prevention of dilution and the substantive fairness between holders of shares of different classes. If the calculation of the exercise price becomes difficult or the result of calculation becomes unreasonable, the Company's Board of Directors shall take the appropriate adjustment of the exercise price and other reasonably necessary measures.

5. Put Option with the Class A Preferred Shares as Consideration

(1) Put Option with the Class A Preferred Shares as Consideration

Each Class B Preferred Shareholder is entitled to request the Company, at any time on or after the day on which an amount to be paid in for the Class B Preferred Share was paid, to acquire all or part of the Class B Preferred Shares held by such Class B Preferred Shareholder in accordance with laws and regulations (the "Put Option with Class A Preferred Shares as Consideration") in exchange for the delivery of the Class A Preferred Shares in such number as provided for in Item (2) below (the "Class A Preferred Shares Subject to Put Option"), and the Company shall deliver the Class A Preferred Shares Subject to Put Option to such Class B Preferred Shareholder to the extent permitted under laws and regulations in exchange for acquiring the Class B Preferred Shares subject to such Put Option with Class A Preferred Shares as Consideration.

(2) Number of the Class A Preferred Shares to be Delivered in Exchange for Acquisition of the Class B Preferred Shares

The number of the Class A Preferred Shares to be delivered in exchange for acquisition of the Class B Preferred Shares shall be the number obtained by multiplying the number of the Class B Preferred Shares subject to the Put Option with Class A Preferred Shares as Consideration by 10.

6. Share Consolidation or Split, Allotment of Shares Offered for Subscription, and Other Matters, etc.

(i) In the case of share consolidation or split, the Company will effectuate such share consolidation or split simultaneously and in the same proportion with respect to the Common Shares, the Class A Preferred Shares and the Class B Preferred Shares.

(ii) If the Company grants to its shareholders the right to receive the allotment of shares offered for subscription or new share subscription rights offered for subscription, the Company will grant to Common Shareholders the right to receive the allotment of Common Shares or new share subscription rights the underlying shares of which are the Common Shares, as the case may be, to Class A Preferred Shareholders the right to receive the allotment of the Class A Preferred Shares or new share subscription rights the underlying shares of which are the Class A Preferred Shares, as the case may be, and to Class B Preferred Shareholders the right to receive the allotment of Class B Preferred Shares or new share subscription rights the underlying shares of which are the Class B Preferred Shares, as the case may be, simultaneously and in the same proportion.

(iii) If the Company makes a gratis allotment of shares or new share subscription rights to its shareholders, the Company will make a gratis allotment of the Common Shares or new share subscription rights the underlying shares of which are the Common Shares, as the case may be, to Common Shareholders, a gratis allotment of the Class A Preferred Shares or new share subscription rights the underlying shares of which are the Class A Preferred Shares, as the case may be, to Class A Preferred Shareholders, and a gratis allotment of the Class B Preferred Shares or new share subscription rights the underlying shares of which are the Class B Preferred Shares, as the case may be, to Class B Preferred Shareholders, simultaneously and in the same proportion.

7. Changes in Laws and Regulations, etc.

If following a change or the like in laws or regulations it becomes necessary to change the wording of terms in this

Exhibit 2 or take any other such measure, the Company’s Board of Directors shall take reasonably necessary measures.
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Partial Amendments to the Articles of Incorporation (2)

(Underlining indicates matters which are amended)

Current Articles of Incorporation	Revisions to Articles of Incorporation
<p>(Total Number of Shares to be Issued)</p> <p>Article 6. The total number of shares authorized to be issued by the Company shall be <u>Sixty Four Hundred Million (6,400,000,000)</u> shares, and each total number of classes of shares authorized to be issued by the Company shall be Thirty Five Billion (35,000,000,000) shares with respect to Common Shares, Fifty Hundred Million (5,000,000,000) shares with respect to Class A Preferred Shares, and Five Hundred Million (500,000,000) shares with respect to Class B Preferred Shares.</p>	<p>(Total Number of Shares to be Issued)</p> <p>Article 6. The total number of shares authorized to be issued by the Company shall be <u>Fourteen Billion One Hundred Million (14,100,000,000)</u> shares, and each total number of classes of shares authorized to be issued by the Company shall be Thirty Five Billion (35,000,000,000) shares with respect to Common Shares, Fifty Hundred Million (5,000,000,000) shares with respect to Class A Preferred Shares, and Five Hundred Million (500,000,000) shares with respect to Class B Preferred Shares.</p>

※Articles of Incorporation Before Amendments represent the Articles of Incorporation after the amendments to the Articles of Incorporation pursuant to “Partial Amendments to the Articles of Incorporation (1)” become effective.

End of Document