

(Translation)

Securities code: 2579

March 3, 2008

## NOTICE OF THE 50<sup>TH</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder,

You are cordially invited to attend the 50<sup>th</sup> Ordinary General Meeting of Shareholders of Coca-Cola West Holdings Company, Limited (the “Company”), which will be held as described hereunder.

If you are unable to attend the meeting, you may exercise your voting right either by writing or over the Internet. Please review the Reference Materials for Ordinary General Meeting of Shareholders and exercise your voting right by 5:30 p.m., March 24 (Monday), 2008.

Sincerely yours,

Norio Sueyoshi  
Representative Director & CEO  
Coca-Cola West Holdings Company, Limited  
7-9-66 Hakozaki, Higashi-ku, Fukuoka, Japan

### MEETING AGENDA

**1. Date and Time:** 10:00 a.m., March 25 (Tuesday), 2008

**2. Venue:** The Grand Ballroom (3F), Grand Hyatt Fukuoka  
1-2-82 Sumiyoshi, Hakata-ku, Fukuoka, Japan

**3. Agenda:**

*Items to be reported:*

1. Business report, consolidated financial statements for the 50<sup>th</sup> fiscal term (January 1 to December 31, 2007); and audit report of consolidated financial statements by Accounting Auditors and the Board of Corporate Auditors
2. Non-consolidated financial statements for the 50<sup>th</sup> fiscal term (January 1 to December 31, 2007)

*Items to be proposed:*

Proposal No. 1	The appropriation of retained earnings
Proposal No. 2	Partial amendments to Articles of Incorporation
Proposal No. 3	Election of eight (8) Directors
Proposal No. 4	Election of three (3) Corporate Auditors
Proposal No. 5	Introduction of countermeasures to large-scale acquisitions of Coca-Cola West Holdings shares (takeover defense measures)

Notes:

1. Attendees are requested to submit the proxy voting form to the reception desk when attending this General Meeting of Shareholders.
2. If we need to make any revision to the business report, consolidated financial statements, non-consolidated financial statements or Reference Materials for Ordinary General Meeting of Shareholders, we will notify you through the Company's website (<http://www.ccwh.co.jp>).
3. Electronic Voting Platform for Institutional Investors  
Management and trust banks or other nominee shareholders (including standing proxies) have the choice of an alternative method for exercising voting rights for the Company's General Meeting of Shareholders. This is the Electronic Voting Platform for Institutional Investors that is operated by Investor Communication Japan, Inc. (ICJ, Inc.), a joint venture instituted by Tokyo Stock Exchange, Inc, etc. In order to use this method, however, application to ICJ, Inc. to use this Electronic Voting Platform must be made in advance.

[This is a partial English translation prepared for the convenience of non-resident shareholders. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.]

**Consolidated Balance Sheet**  
**As of December 31, 2007**

	Millions of yen
<b>ASSETS</b>	
Current Assets	
Cash and deposits	19,567
Notes and accounts receivable - trade	23,064
Marketable securities	19,407
Inventories	11,721
Deferred tax assets	2,143
Other current assets	15,420
Allowance for doubtful accounts	(103)
Total Current Assets	91,220
Fixed Assets	
Property, plant and equipment:	
Buildings and structures	35,192
Machinery, equipment and vehicles	20,181
Sales equipment	27,285
Land	56,709
Construction in progress	672
Other property, plant and equipment	1,992
Total property, plant and equipment	142,033
Intangible assets:	4,719
Investments and other assets:	
Investment securities	55,794
Deferred tax assets	3,596
Prepaid annuity expense	12,732
Other assets	6,147
Allowance for doubtful accounts	(572)
Total investments and other assets	77,698
Total Fixed Assets	224,452
Total Assets	315,672

**Consolidated Balance Sheet**  
**As of December 31, 2007**

	Millions of yen
<b>LIABILITIES</b>	
Current Liabilities:	
Trade notes and accounts payable	5,222
Short-term debt	10,500
Long-term debt due within one year	2,000
Accrued income taxes	3,270
Other accounts payable	13,638
Notes payable for equipment	87
Other current liabilities	7,380
Total Current Liabilities	42,099
Long-term Liabilities:	
Deferred tax liabilities	9,040
Allowance for employee's retirement benefits	5,180
Allowance for directors' retirement benefits	65
Negative goodwill	1,452
Other long-term liabilities	3,809
Total Long-term Liabilities	19,548
Total Liabilities	61,647
<b>NET ASSETS</b>	
Shareholders' equity:	
Common stock	15,231
Additional paid-in capital	109,074
Retained earnings	140,432
Treasury stocks (at cost)	(11,271)
Total shareholders' equity	253,467
Valuation and translation adjustments	
Net unrealized gains on other marketable securities	488
Deferred gains (loss) on hedges	4
Total valuation and translation adjustments	492
Minority interests	64
Total net assets	254,025
Total Liabilities and Net Assets	315,672

Note: Amounts less than one million yen are omitted.

**Consolidated Statement of Income**  
**For the fiscal year ended December 31, 2007**

	Millions of yen
Net sales	409,521
Cost of sales	234,313
Gross profit	175,208
Selling, general and administrative expenses	159,151
Operating income	16,056
Non-operating income:	
Interest and dividend received	696
Other non-operating income	1,737
Non-operating income	2,433
Non-operating expenses:	
Interest expenses	114
Other expenses	881
Non-operating expenses	996
Recurring profit	17,493
Extraordinary income:	
Proceeds from government assistant grants, etc.	336
Gains on sale of fixed assets	277
Gains on sale of investment securities	57
Extraordinary income	671
Extraordinary losses:	
Losses on valuation of investment securities	2,252
Expenses for measures for earthquakes	555
Compensation for disposal of fixed assets	289
Impairment loss	282
Expenses related to group reorganization	279
Losses on product quality problems	193
Appraisal losses for golf membership	57
Extraordinary losses	3,910
Income before income taxes and minority interests	14,254
Corporate, inhabitant and business taxes	5,034
Income taxes	(167)
Minority interests	12
Net income	9,375

Note: Amounts less than one million yen are omitted.

**Consolidated Statement of Changes in Shareholders' Equity**  
**For the fiscal year ended December 31, 2007**

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stocks	Total shareholders' equity
Balance as of Dec. 31, 2006	15,231	109,072	135,623	(11,229)	248,697
Changes during this term					
Dividends of retained earnings	-	-	(4,566)	-	(4,566)
Net income	-	-	9,375	-	9,375
Acquisition of treasury stocks	-	-	-	(56)	(56)
Disposal of treasury stocks	-	2	-	14	16
(Net) Changes in items other than shareholders' equity during this term	-	-	-	-	-
Total changes during this term	-	2	4,809	(41)	4,769
Balance as of Dec. 31, 2007	15,231	109,074	140,432	(11,271)	253,467

	Valuation / translation adjustments			Minority interests	Total net assets
	Net unrealized gains on other marketable securities	Deferred gains (loss) on hedges	Total valuation / translation adjustments		
Balance as of Dec. 31, 2006	1,604	106	1,710	54	250,463
Changes during this term					
Dividends of retained earnings	-	-	-	-	(4,566)
Net income	-	-	-	-	9,375
Acquisition of treasury stocks	-	-	-	-	(56)
Disposal of treasury stocks	-	-	-	-	16
(Net) Changes in items other than shareholders' equity during this term	(1,115)	(102)	(1,218)	9	(1,208)
Total changes during this term	(1,115)	(102)	(1,218)	9	3,561
Balance as of Dec. 31, 2007	488	4	492	64	254,025

Note: Amounts less than one million yen are omitted.

**Non-consolidated Balance Sheet**  
**As of December 31, 2007**

	Millions of yen
<b>ASSETS</b>	
Current Assets	
Cash and deposits	10,865
Trade accounts receivable	5,315
Marketable securities	19,407
Prepaid expenses	86
Deferred tax assets	125
Short-term loans to affiliates	3,156
Accrued income	6,834
Other current assets	1,490
Total Current Assets	47,281
Fixed Assets	
Property, plant and equipment:	
Buildings	15,471
Structures	1,717
Machinery and equipment	15,322
Vehicles	111
Tools, instruments and fixtures	568
Land	5,985
Construction in progress	132
Total property, plant and equipment	39,309
Intangible assets:	
Software	868
Software in progress	229
Other intangible assets	41
Total intangible assets	1,139
Investments and other assets:	
Investment securities	32,790
Investments in stocks of affiliates	176,311
Long-term loans	200
Long-term loans to affiliates	7,032
Other assets	1,113
Allowance for doubtful accounts	(191)
Total investments and other assets	217,256
Total Fixed Assets	257,705
Total Assets	304,987

**Non-consolidated Balance Sheet**  
**As of December 31, 2007**

	Millions of yen
<b>LIABILITIES</b>	
Current Liabilities:	
Trade accounts payable	888
Short-term debt	10,500
Other accounts payable	23,265
Accrued income taxes	185
Money entrusted	21,119
Notes payable for equipment	87
Total Current Liabilities	56,046
Long-term Liabilities:	
Deferred tax liabilities	5,347
Other long-term liabilities	123
Total Long-term Liabilities	5,471
Total Liabilities	61,517
 <b>NET ASSETS</b>	
Shareholders' equity:	
Common stock	15,231
Additional paid-in capital:	
Capital reserve	108,166
Other additional paid-in capital	2
Total additional paid-in capital	108,168
Retained earnings:	
Legal reserve	3,316
Other retained earnings:	
Reserve for special depreciation	14
Reserve for advanced depreciation	396
Reserve for community contributions	275
Reserve for regional environmental preservation	348
General reserve	119,188
Retained earnings to be carried forward	7,000
Total other retained earnings	127,223
Total retained earnings	130,540
Treasury stocks	(11,271)
Total shareholders' equity	242,669
Valuation and translation adjustments:	
Net unrealized gains on other marketable securities	800
Total valuation and translation adjustments	800
Total Net Assets	243,470
Total Liabilities and Net Assets	304,987

Note: Amounts less than one million yen are omitted.



**Non-consolidated Statement of Income**  
**For the fiscal year ended December 31, 2007**

	Millions of yen
Net revenues:	
Net sales	209,281
Dividends received by subsidiaries	5,580
Cost of sales	202,873
Gross profit	11,988
Selling, general and administrative expenses	4,804
Operating income	7,183
Non-operating income:	
Interest and dividend received	756
Other non-operating income	82
Non-operating income	838
Non-operating expenses:	
Interest expenses	143
Other expenses	41
Non-operating expenses	185
Recurring profit	7,837
Extraordinary income:	
Gains on sale of fixed assets	217
Gains on sale of investment securities	57
Extraordinary income	275
Extraordinary losses:	
Losses on valuation of investment securities	2,244
Compensation for disposal of fixed assets	289
Expenses related to group reorganization	190
Appraisal losses for golf membership	9
Extraordinary losses	2,734
Income before income taxes	5,378
Corporate, inhabitant and business taxes	818
Income taxes	(873)
Net income	5,432

Note: Amounts less than one million yen are omitted.

**Non-consolidated Statement of Changes in Shareholders' Equity**  
**For the fiscal year ended December 31, 2007**

(Millions of yen)

	Shareholders' equity									Valuation and translation adjustments	Total net assets
	Common stock	Additional paid-in capital			Retained earnings			Treasury stocks	Total shareholders' equity	Net unrealized gains on other marketable securities	
		Capital reserve	Other additional paid-in capital	Total additional paid-in capital	Legal reserve	Other retained earnings (Note 1)	Total retained earnings				
Balance as of Dec. 31, 2006	15,231	108,166	-	108,166	3,316	126,357	129,674	(11,229)	241,843	1,647	243,491
Changes during this term											
Dividends of retained earnings	-	-	-	-	-	(4,566)	(4,566)	-	(4,566)	-	(4,566)
Net income	-	-	-	-	-	5,432	5,432	-	5,432	-	5,432
Reversal of allowances	-	-	-	-	-	-	-	-	-	-	-
Savings of provisions	-	-	-	-	-	-	-	-	-	-	-
Reversal of provisions	-	-	-	-	-	-	-	-	-	-	-
Acquisition of treasury stocks	-	-	-	-	-	-	-	(56)	(56)	-	(56)
Disposal of treasury stocks	-	-	2	2	-	-	-	14	16	-	16
(Net) Changes in items other than shareholders' equity during this term	-	-	-	-	-	-	-	-	-	(847)	(847)
Total changes during this term	-	-	2	2	-	866	866	(41)	826	(847)	(20)
Balance as of Dec. 31, 2007	15,231	108,166	2	108,168	3,316	127,223	130,540	(11,271)	242,669	800	243,470

**Note 1: Breakdown of other retained earnings** (Millions of yen)

	Other retained earnings						
	Reserve for special depreciation	Reserve for advanced depreciation	Reserve for community contributions	Reserve for regional environmental preservation	General reserve	Retained earnings to be carried forward	Total other retained earnings
Balance as of Dec. 31, 2006	30	418	444	265	119,188	6,010	126,357
Changes during this term							
Dividends of retained earnings	-	-	-	-	-	(4,566)	(4,566)
Net income	-	-	-	-	-	5,432	5,432
Reversal of reserve	(15)	-	-	-	-	15	-
Addition of reserve	-	-	300	150	-	(450)	-
Reversal of reserve	-	(21)	(469)	(66)	-	557	-
Acquisition of treasury stocks	-	-	-	-	-	-	-
Disposal of treasury stocks	-	-	-	-	-	-	-
(Net) Changes in items other than shareholders' equity during this term	-	-	-	-	-	-	-
Total changes during this term	(15)	(21)	(169)	83	-	989	866
Balance as of Dec. 31, 2007	14	396	275	348	119,188	7,000	127,223

Note 2: Amounts less than one million yen are omitted.

## Reference Materials for Ordinary General Meeting of Shareholders

### Proposals and Reference Materials

#### Proposal No. 1: The appropriation of retained earnings

The proposal for appropriation of retained earnings is as described below.

##### 1. Year-end dividends

Taking into account our business results for the fiscal year under review and our future business environment, we propose to pay year-end dividends to shareholders as follows:

(1) Type of distributed assets

Cash

(2) Allotment of distributed assets and the total amount

We propose to pay 22 yen per share of the Company's common stock.

In this case, the dividends will total 2,335,912,568 yen.

As a result, annual dividends will be 43 yen per share, including interim dividends, up 1 yen from the previous fiscal year.

(3) Effective date of the distribution of retained earnings

We propose that the effective date of the distribution of retained earnings will be March 26, 2008.

##### 2. Other matters relating to the appropriation of retained earnings

(1) Items of retained earnings increased and the amount

Reserve for community contributions: 300,000,000 yen

Reserve for regional environment preservation: 150,000,000 yen

(2) Items of retained earnings decreased and the amount

Retained earnings to be carried forward: 450,000,000 yen

#### Proposal No. 2: Partial amendments to Articles of Incorporation

##### 1. Reasons for amendments

(1) For the reason described in "1. Reason for Introducing the Plan" of Proposal No. 5:

"Introduction of countermeasures to large-scale acquisitions of Coca-Cola West Holdings shares (takeover defense measures)," we believe that it is essential to introduce measures against takeover bids through the gratis allotment of stock acquisition rights in order to

protect against inappropriate acquisitions damaging the Group's corporate value and eventually common interests to its shareholders, and ensure and improve the Group's corporate value and eventually common interests to its shareholders. Under the Corporate Law, a company with the board of directors shall be entitled to determine matters pertaining to gratis allotment of stock acquisition rights by a resolution of the Board of Directors (Article 278, Paragraph 3 of the main clause in the Corporate Law). However, the Company finds it favorable that our shareholders will, based on their intentions, (1) determine the matters pertaining to gratis allotment of stock acquisition rights by a resolution of the Board of Directors, or (2) set forth a certain conditions at a general meeting of shareholders and then entrust the Board of Directors to determine the matters pertaining to gratis allotment of stock acquisition rights in accordance with such conditions. Therefore, pursuant to Article 278, Paragraph 3 of the proviso clause of the Corporate Law, we propose to establish Article 18, Paragraph 3 in the revised Articles of Incorporation as a provision of grounds for enabling the above methods (1) and (2) to determine the matters pertaining to gratis allotment of stock acquisition rights.

- (2) In cases where a gratis allotment of stock acquisition rights is performed as one of the measures against takeover bids, there is a need to clarify in advance that we may provide for a condition of exercise under which the rights of exercise by particular party set forth in the measures against takeover bids shall not be approved as well as other equivalent provisions of acquisition, in view of importance that the measures against takeover bids must be implemented based on intentions of our shareholders. For that reason, we propose to establish Article 19 in the revised Articles of Incorporation to stipulate a provision to the effect that the measures against takeover bids may be introduced by a resolution at a general meeting of shareholders.
- (3) In addition, the number of Articles will be changed as necessary, according to the above revision.

## 2. Details of proposed amendments

Details of the proposed amendments are as follows:

(Amended portions are underlined.)

Existing Articles of Incorporation	Proposed Amendments
<p>Article 18. Method of Resolutions</p> <p>1. (Omitted)</p> <p>2. (Omitted) (Newly established)</p> <p>(Newly established)</p> <p>Article 19 to (Omitted) Article 38</p>	<p>Article 18. Method of Resolutions</p> <p>1. (Same as at present)</p> <p>2. (Same as at present)</p> <p>3. <u>The Company shall determine matters pertaining to gratis allotment of stock acquisition rights by a resolution of the Board of Directors as well as by a resolution at a general meeting of shareholders or by a resolution by the Board of Directors through entrustment by the general meeting of shareholders.</u></p> <p><u>Article 19. Countermeasures pertaining to Large-scale Acquisition of the Company's Shares</u></p> <p>1. <u>The Company shall be entitled to set forth the following matters to detail stock acquisition rights in determining the matters pertaining to gratis allotment of stock acquisition rights as one of the measures against acts for purchasing large amounts of shares of the Company, which is stipulated to ensure and improve the corporate value of the Company and eventually common interests to its shareholders (hereinafter referred to as the "Measures").</u></p> <p>(1) <u>Particular party set forth in these Measures (hereinafter referred to as "Ineligible Parties" shall not be entitled to exercise stock acquisition rights.</u></p> <p>(2) <u>The Company shall be entitled to obtain stock acquisition rights only from parties other than Ineligible Parties and issue its shares in return for such rights.</u></p> <p>(3) <u>The Company shall be entitled to obtain stock acquisition rights from Ineligible Parties and issue its shares, stock acquisition rights, bonds, cash and other consideration in return for such rights.</u></p> <p>2. <u>The Measures refer to those which prevent realization of acquisition of the Company by issuing new shares or stock acquisition rights for main purpose other than business such as financing to the Company and which are drawn up before purchase of large amount of its shares is offered by parties who threaten to damage the corporate value of the Company and eventually common interests to its shareholders. A general meeting of shareholders of the Company shall be entitled to determine such Measures by its resolution.</u></p> <p>Article 20 to (Same as at present) Article 39</p>

### Proposal No. 3: Election of eight (8) Directors

As the terms of office of all eight (8) Directors will expire at the close of this General Meeting of Shareholders, we propose that eight (8) Directors be elected.

The candidates for Directors are as follows:

No.	Name (Date of Birth)	Brief personal profile, position and responsibility in the Company, and representation for other companies	No. of Company Stocks Owned
1	Norio Sueyoshi (February 18, 1945)	<p>April 1967    Joined COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1991    Director, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1995    Managing Director, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>August 1997    Senior Managing Director, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1999    Executive Vice President, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 2001    Director, COCA-COLA WEST HOLDINGS CO., LTD. Vice President, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>October 2001    Representative Director of Specified Nonprofit Corporation Ichimura Kyushu School of Nature (incumbent)</p> <p>March 2002    Representative Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent) President &amp; CEO, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>July 2006    CEO, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	15,164
2	Tadatsugu Harada (September 4, 1945)	<p>April 1968    Joined COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1997    Director, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1999    Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 2001    Associate Senior Corporate Executive Officer, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>April 2003    Senior Corporate Executive Officer, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 2005    Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent) Vice President, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>July 2006    Director, Coca-Cola West Japan Co., Ltd. Vice President, Coca-Cola West Japan Co., Ltd.</p> <p>March 2007    Representative Director, Coca-Cola West Japan Co., Ltd. (incumbent) President, Coca-Cola West Japan Co., Ltd. (incumbent)</p> <p>April 2007    Group Senior Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	8,141

No.	Name (Date of Birth)	Brief personal profile, position and responsibility in the Company, and representation for other companies	No. of Company Stocks Owned
3	Tamio Yoshimatsu (February 10, 1947)	<p>March 1969    Joined Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2000    Director, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2004    Managing Director, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2006    Senior Managing Director, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>                  Executive Corporate Officer, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>July 2006     Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p> <p>                  Executive Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 2007    Representative Director, Kinki Coca-Cola Bottling Co., Ltd. (incumbent)</p> <p>                  President, Kinki Coca-Cola Bottling Co., Ltd. (incumbent)</p> <p>April 2007     Group Senior Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	1,688
4	Hijiri Morita (August 18, 1946)	<p>April 1969    Joined COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1995    Director, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>March 1999    Senior Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>April 2003    Executive Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p> <p>April 2007    Senior Officer, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	6,998
5	Shigeki Ota (February 27, 1950)	<p>April 1973    Joined Kirin Brewery Co., Ltd. (present Kirin Holdings Co., Ltd.)</p> <p>January 2001   Vice President, International Beer Company of Kirin Brewery Co., Ltd.</p> <p>March 2002    Director, San Miguel Corp.</p> <p>March 2004    Managing Director, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2006    Senior Corporate Officer, Kinki Coca-Cola Bottling Co., Ltd. (incumbent)</p> <p>March 2007    Director, Kinki Coca-Cola Bottling Co., Ltd. (incumbent)</p> <p>                  Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p> <p>April 2007    Group Senior Corporate Officer, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	451

No.	Name (Date of Birth)	Brief personal profile, position and responsibility in the Company, and representation for other companies	No. of Company Stocks Owned
6	Masamitsu Sakurai (January 8, 1942)	<p>April 1966 Joined Ricoh Co., Ltd.</p> <p>May 1984 Director &amp; President, Ricoh UK Products Ltd.</p> <p>June 1992 Director, Ricoh Co., Ltd.</p> <p>April 1993 Director &amp; President, Ricoh Europe B.V.</p> <p>June 1994 Managing Director, Ricoh Co., Ltd.</p> <p>April 1996 Representative Director &amp; President, Ricoh Co., Ltd.</p> <p>March 2005 Representative Director, COCA-COLA WEST HOLDINGS CO., LTD. Chairman, COCA-COLA WEST HOLDINGS CO., LTD.</p> <p>June 2005 Representative Director, Ricoh Co., Ltd. (incumbent) President, Ricoh Co., Ltd.</p> <p>July 2006 Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p> <p>April 2007 Chairman of the Board, Ricoh Co., Ltd. (incumbent) Chairman of the Board, Japan Association of Corporate Executives (incumbent)</p>	-
7	Michael Coombs (July 29, 1963)	<p>January 1984 Joined the Coca-Cola Bottling Company of Pretoria Ltd.</p> <p>April 1997 CFO, Coca-Cola Icecek A.S.</p> <p>January 2005 Vice President &amp; Representative Director, Coca-Cola (Japan) Co., Ltd. (incumbent)</p>	-
8	Kokichi Honbo (May 9, 1940)	<p>Dec. 1969 Joined Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>March 1989 Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>Feb. 1992 Managing Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>Dec. 1995 Senior Managing Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>March 1999 Vice President &amp; Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>March 2002 Vice President &amp; Representative Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>March 2003 President and Representative Director, Minami Kyushu Coca-Cola Bottling Co., Ltd.</p> <p>March 2007 Director, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p> <p>January 2008 Representative Director, Minami Kyushu Coca-Cola Bottling Co., Ltd. (incumbent) President, Minami Kyushu Coca-Cola Bottling Co., Ltd. (incumbent)</p>	1,551

Notes:

1. Special interest relationships between the Company and candidates for Directors are as follows:
  - (1) Norio Sueyoshi concurrently serves as Representative Director of Specified Nonprofit Corporation Ichimura Kyushu School of Nature, and the Company disburses operating expenses, etc. to the said corporation as expenses for contribution to the regional community.
  - (2) Michael Coombs is Vice President & Representative Director, Coca-Cola (Japan) Co., Ltd., which has signed contracts with the Company for the production and sales of Coca-Cola, etc., the use of trademark, and other matters. In addition, Coca-Cola (Japan) has business relations with the Company regarding receipt, etc. of sales promotion rebates.



- (3) Kokichi Honbo is President & Representative Director of Minami Kyushu Coca-Cola Bottling Co., Ltd., which has signed contracts with the Company for the procurement and sales of Coca-Cola, etc.
  - (4) There is no special interest between the Company and the other candidates for Directors.
2. Both Michael Coombs and Kokichi Honbo are candidates for Outside Directors.
- (1) The reasons why the Company designated them as candidates for Outside Directors are as follows:
    - (i) Michael Coombs is Vice President & Representative Director of Coca-Cola (Japan) Co., Ltd. The Company requests an election of Mr. Coombs as Outside Director to further enhance strategic partnership with The Coca-Cola Company and Coca-Cola (Japan) Co., Ltd.
    - (ii) Kokichi Honbo is President & Representative Director of Minami Kyushu Coca-Cola Bottling Co., Ltd. that has formed financial & business alliance with the Company. The Company requests an election of Mr. Honbo as Outside Directors to promote and deepen mutual understanding.
  - (2) Because Coca-Cola (Japan) Co., Ltd. is a major associating party of the Company and Minami Kyushu Coca-Cola Bottling Co., Ltd. is an equity-method affiliate of the Company, these firms are deemed as specially related companies of the Company. The position and responsibility of Michael Coombs and Kokichi Honbo as business executors for the present and past five years in these companies are described above in the “Brief personal profile, position and responsibility in the Company, and representation for other companies.”
  - (3) Kokichi Honbo is an incumbent Outside Director of the Company and has been assumed the office of Outside Director for one year.
  - (4) When the election of Michael Coombs is approved, the Company will sign an agreement for limitation of liability with him. The agreement will outline that in cases where the Outside Director caused damages to the Company due to non-performance of his duties and yet he is bona fide and there is no gross negligence on him in performing his duties, he shall be liable for the damages to the limit of minimum liability set forth in laws and regulations.

#### Proposal No. 4: Election of three (3) Corporate Auditors

As the terms of office of both Corporate Auditors Hiroshi Kanda and Katsumi Sasaki will expire at the close of this General Meeting of Shareholders, we propose that three (3) Corporate Auditors be elected as their replacement.

We have obtained the consent of the Board of Corporate Auditors in connection with this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of Birth)	Brief personal profile, position and responsibility in the Company, and representation for other companies	No. of Company Stocks Owned
1	Hiroshi Kanda (February 14, 1948)	<p>March 1970    Joined Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2002    Director, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>March 2005    Full-time Corporate Auditor, Kinki Coca-Cola Bottling Co., Ltd.</p> <p>July 2006    Executive Corporate Auditor (full-time) (incumbent), COCA-COLA WEST HOLDINGS CO., LTD.</p>	1,353
2	Zenji Miura (January 5, 1950)	<p>April 1976    Joined Ricoh Co., Ltd.</p> <p>January 1993    Director &amp; President, Ricoh France S.A.</p> <p>October 2000    Senior Vice President, Ricoh Co., Ltd.</p> <p>June 2003    Executive Vice President, Ricoh Co., Ltd.</p> <p>June 2004    Managing Director, Ricoh Co., Ltd.</p> <p>June 2005    Director, Ricoh Co., Ltd. (incumbent) Corporate Executive Vice President, Ricoh Co., Ltd. (incumbent)</p>	-
3	Katsumi Sasaki (April 20, 1945)	<p>April 1968    Joined Nishi-Nippon Sogo Bank, Ltd. (present The Nishi-Nippon City Bank, Ltd.)</p> <p>June 1995    Director, Nishi-Nippon Bank, Ltd.</p> <p>June 2000    Managing Director, Nishi-Nippon Bank, Ltd.</p> <p>June 2002    Representative Director, Nishi-Nippon Bank, Ltd. (incumbent) Senior Managing Director, Nishi-Nippon Bank, Ltd.</p> <p>June 2006    Deputy President, The Nishi-Nippon City Bank, Ltd. (incumbent)</p> <p>March 2007    Corporate Auditor, COCA-COLA WEST HOLDINGS CO., LTD. (incumbent)</p>	-

Notes:

1. Special interest relationships between the Company and candidates for Corporate Auditors are as follows:
  - (1) Katsumi Sasaki concurrently serves as Representative Director and Deputy President of Nishi-Nippon City Bank, Ltd. and the Company has borrowings of funds from the Bank.
  - (2) There are no special interest relationships between the Company and the other candidates for Corporate Auditors.
2. Hiroshi Kanda, Zenji Miura and Katsumi Sasaki are candidates for Outside Corporate Auditors.
  - (1) The reasons why the Company designated them as candidates for Outside Corporate Auditors are as follows:
    - (i) Hiroshi Kanda previously served as Director and Full-time Corporate Auditor of Kinki Coca-Cola Bottling Co., Ltd. before its business integration with the Company executed on July 1, 2006. The Company requests an election of Mr. Kanda as Outside Corporate Auditor so that he will utilize his experiences of audit acquired in Kinki Coca-Cola Bottling for the Company.
    - (ii) Zenji Miura has many years of experiences for financial and accounting affairs in Ricoh Co., Ltd.

The Company requests an election of Mr. Miura as Outside Corporate Auditor so that he will utilize such experiences of to audit for the Company.

- (iii) Katsumi Sasaki has many years of experiences in Nishi-Nippon City Bank, Ltd., a financial institution. The Company requests an election of Mr. Sasaki as Outside Corporate Auditor so that he will utilize such experiences of audit for the Company.
- (2) For Nishi-Nippon City Bank, Ltd., where Mr. Sasaki serves concurrently as Representative Director and Deputy President, received an order for improving business operations pertaining to reinforcement and strengthening of the internal management system from the competent supervisory authority in December 2005 in the wake of an occurrence of scandal with misappropriation and diversion of savings committed by an employee. The Bank thereafter laid out a plan for improving business operations toward establishment of compliance system.
- (3) Hiroshi Kanda and Katsumi Sasaki are both incumbent Outside Corporate Auditors of the Company. Mr. Kanda and Mr. Sasaki have been assumed the offices for one year and nine months and one year, respectively.
- (4) The Company has concluded an agreement for limitation of liability with Katsumi Sasaki. On the other hand, when the election of Zenji Miura is approved, the Company will sign an agreement for limitation of liability with him. The agreement will outline that in cases where the Outside Corporate Auditor caused damages to the Company due to non-performance of his duties and yet he is bona fide and there is no gross negligence on him in performing his duties, he shall be liable for the damages to the limit of minimum liability set forth in laws and regulations.

## **Proposal No. 5: Introduction of countermeasures to large-scale acquisitions of Coca-Cola West Holdings shares (takeover defense measures)**

On assumption that Proposal No. 2: Partial amendments to Articles of Incorporation be approved, we request approval of the introduction of countermeasures to large-scale acquisitions of the Company's shares (takeover defense measures; hereinafter referred to as the "Plan"), with the aim of ensuring and improving the Company's corporate value, as well as common interest to shareholders, based on Article 19, paragraph 2 of the revised Articles of Incorporation of the Company. The resolution for approving the proposal also entails resolution of Article 18, paragraph 3 of the revised Articles of Incorporation of the Company, which entrust the Board of Directors of the Company with the decision on matters regarding gratis allotment of stock acquisition rights, as seen in "2. Plan Details."

### **1. Reason for Introducing the Plan**

At its Board of Directors' meeting held on February 7, 2008, the Company decided on a basic policy regarding the issue of those who control decisions on the Group's financial and business policies (hereinafter referred to as the "Basic Policy"), as stated below in (1). In accordance with the Basic Policy, we hereby request approval of the introduction of the Plan as a countermeasure to prevent the Group's corporate value and shareholders' common interest from being damaged due to the possibility that decisions on the Group's financial and business policies be controlled by an inappropriate entity.

#### **(1) Details of Basic Policy**

The Company believes that the persons who control decisions on the Company group's financial and business policies need to be persons who understand the source of the Company group's corporate value and who will make it possible to continually and persistently ensure and enhance the Company group's corporate value and, in turn, the common interests of its shareholders. The Company believes that ultimately its shareholders as a whole must ultimately make a decision on any proposed acquisition that would involve a change of corporate control of the Company group. Also, the Company would not reject a large-scale acquisition of the shares in the Company if it would contribute to the corporate value of the Company group and, in turn, the common interests of its shareholders.

However, there are some forms of large-scale acquisition of the shares that benefit neither the corporate value of the target company nor the common interests of its shareholders: those with a purpose that would obviously harm the corporate value of the target company and, in turn, 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 terms of the large-scale acquisition of the shares, 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.

The Company believes that the persons who control decisions on the Company group's financial and business policies need to be persons who (A) fully understand (i) providing freshness and refreshment to people around the world and enroot the "Coca-Cola" brand, which is now a part of our life style, in local communities; (ii) passionately making efforts to ensure quality and safety in order to provide "quality and safe products for anyone, anytime and anywhere"; (iii) appreciating employees who have strong sense of responsibility to thoroughly pursuit customer satisfaction, and treasuring each employee's challenge and life; and (iv) contributing to local communities and proactively engaging with environmental issues, (B) preserve relationships of mutual trust with the customers, business partners, shareholders and employees and perform up to their expectation, and (C) make it possible to continually and persistently ensure and enhance the Company group's corporate value and, in turn, the common interests of its shareholders from the mid- to long-term perspective.

Therefore, the Company believes that a person 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 group and, in turn, the common interests of its shareholders would be inappropriate to become a person who would control decisions on the Company group's financial and business policies. The Company believes that it is necessary to ensure the corporate value of the Company group and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures against a large-scale acquisition of the shares in the Company by such a person.

(2) Purpose of introducing the Plan

The Plan is introduced for the purpose of ensuring and enhancing the corporate value of the Company group and the common interests of its shareholders, in compliance with the Basic Policy described in (1) 'Details of Basic Policy' above.

The Company's board of directors has decided that, when a large-scale acquisition of the shares is launched against the shares of the Company, it is necessary to

introduce a framework that ensures the necessary time and information is made available for the shareholders to decide whether or not to accept such proposal or for the Company's board of directors to present alternative proposals to the shareholders, and that enables the board of directors to discuss or negotiate with the acquirer for the benefit of the shareholders, and thus deters acquisitions that are detrimental to the corporate value of the Company group and, in turn, the common interests of its shareholders.

Therefore, the Company's board of directors resolved to introduce the Plan, subject to the approval of the shareholders at the Ordinary General Meeting of Shareholders, as part of the measures to prevent decisions on the Company group's financial and business policies from being controlled by persons viewed as inappropriate under the Basic Policy.

## **2. Plan Details**

### **(1) Outline of the Plan**

#### **(a) Procedures for the Plan**

The Plan sets out procedures that enable the Company, in the case there is a large-scale acquisition of the shares in the Company or any similar action or proposal for such action (excluding those deemed amicable by the Company's board of directors, "Acquisition"), to request in advance that the party effecting the Acquisition ("Acquirer") provides information relating to the Acquisition, and to secure time to collect information and consider the Acquisition, and then present information such as management plans and any alternative proposals of the Company's board of directors to the shareholders and conduct discussions or negotiations with the Acquirer (for details see below at (2), 'Procedures for the Plan'). The Acquirer must comply with the procedures for the Plan, and may not conduct the Acquisition after the procedures for the Plan have commenced until (i) the Committee for the Assessment of Corporate Value makes a recommendation for implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, or (ii) a resolution is made for implementation or non-implementation of a gratis allotment of Stock Acquisition Rights at the general meeting of shareholders held in accordance with the recommendation of the Committee for the Assessment of Corporate Value.

#### **(b) Use of a gratis allotment of Stock Acquisition Rights**

If an Acquirer effects an Acquisition without following the procedures set out in the Plan or the Company group's corporate value or the common interests of its

shareholders are otherwise deemed to be likely to be harmed (for details of these requirements, see below at (3), ‘Requirements for the gratis allotment of Stock Acquisition Rights’), the Company will allot stock acquisition rights with (i) an exercise condition that does not allow the Acquirer to exercise them, and (ii) an acquisition provision to the effect that the Company may acquire the stock acquisition rights from persons other than the Acquirer in exchange for shares in the Company (the details of such stock acquisition rights are set out below at (4), ‘Outline of the gratis allotment of Stock Acquisition Rights’; “Stock Acquisition Rights”) by means of a gratis allotment of stock acquisition rights (*shinkabu yoyakuken mushou wariate*) (prescribed by Article 277 onwards of the Corporation Law of Japan) to all shareholders at that time.

- (c) Use of the Committee for the Assessment of Corporate Value in order to eliminate arbitrary decisions of the directors

In order to eliminate arbitrary decisions by the directors, decisions relating to matters such as implementation or non-implementation of the gratis allotment of Stock Acquisition Rights or the acquisition of the Stock Acquisition Rights will be made through the judgment of a committee for the assessment of corporate value (“Committee for the Assessment of Corporate Value”). The Committee for the Assessment of Corporate Value will be composed only of members who are highly independent from the management of the Company and have expertise knowledge on corporate management. It will make its decisions in accordance with the Rules of the Committee for the Assessment of Corporate Value (see Attachment 1 for an outline) and transparency will be ensured by timely disclosure to the Company’s shareholders and investors.

The Committee for the Assessment of Corporate Value is intended to initially be composed of four outside, experts highly independent. The names and career summary of the intended initial members are described in Attachment 2. (Please see Attachment 1 for the standards for appointing members, requirements for resolution, and resolution matters.)

- (d) Exercise of Stock Acquisition Rights and the Company’s acquisition of Stock Acquisition Rights

If a gratis allotment of Stock Acquisition Rights were to take place in accordance with the Plan and either the shareholders other than the Acquirer exercise the Stock Acquisition Rights or the shareholders other than the Acquirer receive shares in the Company in exchange for the Company acquiring the Stock Acquisition Rights, then it would be possible for the ratio of voting rights in the

Company held by the Acquirer to be diluted by up to 50%.

(2) Procedures for the Plan

(a) Targeted acquisitions

The Plan will apply in cases where there is an Acquisition that falls under (i) or (ii) below. The Acquirer shall follow the procedures set out in the Plan.

- (i) An acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*)<sup>1</sup> of a holder (*hoyuusha*)<sup>2</sup> amounting to 20% or more of the share certificates, etc. (*kabuken tou*)<sup>3</sup> issued by the Company; or
- (ii) A tender offer (*koukai kaitsuke*)<sup>4</sup> that would result in the owning ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*)<sup>5</sup> of share certificates, etc. (*kabuken tou*)<sup>6</sup> relating to the tender offer and the owning ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*)<sup>7</sup> totaling at least 20% of the share certificates, etc. issued by the Company.

(b) Request to the Acquirer for the provision of information

Unless the Company's board of directors deems it an amicable Acquisition, the Company will require any Acquirer conducting an Acquisition described above at (a) to submit to the Company's board of directors in a form prescribed by the Company before effecting the Acquisition, a document which includes information described in item (i) through (viii) below ("Essential Information") and a written undertaking that the Acquirer will, upon the Acquisition, comply with the procedures set out in the Plan ("Acquisition Statement").

The Company will promptly disclose the commencement of procedures set out in the Plan.

On receiving the Acquisition Statement, the Company's board of directors will promptly provide it to the Committee for the Assessment of Corporate Value. If the Committee for the Assessment of Corporate Value determines that the information included in the Acquisition Statement is insufficient as Essential Information, it may fix a deadline for response and request directly, or indirectly through the Company's board of directors, that the Acquirer additionally provide Essential Information. In such case, the Acquirer should additionally provide such Essential Information within the fixed time limit.

- (i) Details (including the specific name, capital structure, financial position, experience and result of transactions similar to the Acquisition, and the impact of past transactions on the corporate value of the target company) of



the Acquirer and its group (including joint holders<sup>8</sup>, persons having a special relationship and, in the case of funds, each partner and other constituent members).

- (ii) The purpose, method and terms of the Acquisition (including information on the amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and the probability of the Acquisition being effected).
- (iii) The basis for the calculation of the purchase price of the Acquisition (including the underlying facts and premises of the calculation, the calculation method, the numerical data used in the calculation, the details of any expected synergies from any series of transactions relating to the Acquisition, and the details of such synergies to be shared with minority shareholders).
- (iv) Financial support for the Acquisition (including the specific name of the funds providers (including all indirect funds providers), financing methods and the terms of any related transactions).
- (v) Post-Acquisition management policy, business plan, capital and dividend policies for the Company group.
- (vi) Post-Acquisition policies dealing with the Company group's employees, business partners, customers, and any other stakeholders in the Company group.
- (vii) Specific measures to avoid any conflict of interest with other shareholders of the Company.
- (viii) Any other information that the Committee for the Assessment of Corporate Value reasonably considers necessary.

If the Committee for the Assessment of Corporate Value recognizes that the Acquirer has initiated the Acquisition without complying with the procedures set out in the Plan, as a general rule, it will recommend the Company's board of directors to implement a gratis allotment of Stock Acquisition Rights in accordance with (d)(i) below, except in particular circumstances where it should continue with its requests for the submission of an Acquisition Statement and Essential Information, and its discussion and negotiation with the Acquirer.

- (c) Consideration of terms of the Acquisition, negotiation with the Acquirer, and consideration of an alternative proposal
  - (i) Request to the Company's board of directors for the provision of information
    - If the Acquirer submits the Acquisition Statement and Essential

Information that the Committee for the Assessment of Corporate Value additionally requests (if any), the Committee for the Assessment of Corporate Value may request that the Company's board of directors present an opinion (including an opinion to reserve giving such an opinion; hereinafter the same) on the terms of the Acquirer's Acquisition and supporting materials, an alternative proposal (if any), and any other information or materials that the Committee for the Assessment of Corporate Value considers necessary from time to time upon fixing a reasonable deadline for response in consideration of the time required to collect information and consider the corporate value evaluation by the Company's board of directors as well as any necessary examination by outside experts (up to sixty days as a general rule; although this period is fixed as a period necessary for the Company's board of directors to provide an opinion, supporting materials, and any other information or materials that the Committee for the Assessment of Corporate Value may consider necessary from time to time in light of results of consideration by outside experts, the Company's board of directors will consider these matters as soon as possible) in order to compare the information contained in the Acquisition Statement and Essential Information, and business plan and corporate evaluation by the Company's board of directors and the like in light of ensuring and enhancing the Company group's corporate value and, in turn, common interests of its shareholders.

(ii) Committee for the Assessment of Corporate Value consideration

If the Committee for the Assessment of Corporate Value determines that information and materials (including those additionally requested) have been sufficiently provided by the Acquirer and the Company's board of directors (if the Company's board of directors is so required as set out in (i) above), it may set a consideration period (up to sixty days as a general rule; in this regard, however, the Committee for the Assessment of Corporate Value may extend or re-extend the period by its resolution up to 30 days in the event of 2.2(d)(iii) below; hereinafter the "Committee for the Assessment of Corporate Value Consideration Period"). During the Committee for the Assessment of Corporate Value Consideration Period, the Committee for the Assessment of Corporate Value should consider the terms of the Acquirer's Acquisition and collect and compare information on the business plans and other information of the Acquirer with that of the Company's board of directors, and consider any alternative proposal presented by the Company's board of directors. If

necessary, the Committee for the Assessment of Corporate Value should discuss and negotiate with the Acquirer directly or indirectly through the Company's board of directors during the Committee for the Assessment of Corporate Value Consideration Period, in order to improve the terms of the Acquirer's Acquisition with a view to ensure and enhance the corporate value of the Company group and common interests of its shareholders and present the alternative proposal made by the Company's board of directors to the shareholders.

In order to ensure that the Committee for the Assessment of Corporate Value's decision contributes to the Company group's corporate value and the common interests of its shareholders, the Committee for the Assessment of Corporate Value may, at the expense of the Company, obtain advice from independent third parties (including financial advisers, certified public accountants, legal counsel, consultants or any other experts).

If the Committee for the Assessment of Corporate Value directly, or indirectly through the Company's board of directors, requests the Acquirer provide materials for consideration or any other information, or discuss and negotiate with the Committee for the Assessment of Corporate Value, the Acquirer must promptly respond to such request.

(iii) Disclosure of information to shareholders

The Committee for the Assessment of Corporate Value will appropriately disclose to the shareholders and investors the fact that the Acquirer has surfaced, it has received an Acquisition Statement from the Acquirer, the Committee for the Assessment of Corporate Value requests the Acquirer to provide information to the Company's board of directors, the Committee for the Assessment of Corporate Value Consideration Period has commenced, the Committee for the Assessment of Corporate Value requests the Acquirer to hold discussions or negotiations, the Company's board of directors has presented alternative proposals to the Committee for the Assessment of Corporate Value, and an outline of the Essential Information and any other matters the Committee for the Assessment of Corporate Value considers appropriate.

(d) Recommendations by the Committee for the Assessment of Corporate Value

If an Acquirer emerges, the Committee for the Assessment of Corporate Value will make a recommendation to the Company's board of directors as follows. If the Committee for the Assessment of Corporate Value makes any

recommendation or resolution as listed in (d)(i) through (d)(iii) below, or otherwise believes it to be appropriate, the Company will disclose the fact that the Committee for the Assessment of Corporate Value has made the recommendation or resolution, an outline of it, and any other matters that the Committee for the Assessment of Corporate Value considers appropriate (in the case of extension or re-extension of the Committee for the Assessment of Corporate Value Consideration Period, including the details of the extended period and an outline of the reason for such extension or re-extension), promptly after the recommendation or resolution.

(i) Recommendations for the implementation of gratis allotment of Stock Acquisition Rights

If the Acquirer fails to comply with the procedures set out in the Plan, or if as a result of considering the terms of the Acquirer's Acquisition or discussing and negotiating the terms with the Acquirer the Committee for the Assessment of Corporate Value determines that the Acquisition by the Acquirer meets any of the requirements set out below at (3), 'Requirements for the gratis allotment of Stock Acquisition Rights,' and the implementation of the gratis allotment of stock acquisition rights explained below is reasonable, the Committee for the Assessment of Corporate Value will recommend the implementation of the gratis allotment of Stock Acquisition Rights to the Company's board of directors, regardless of whether the Committee for the Assessment of Corporate Value Consideration Period has commenced or ended.

However, even after the Committee for the Assessment of Corporate Value has made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Committee for the Assessment of Corporate Value determines that either of the events listed (A) and (B) below apply, the Company on or before the date immediately prior to the Exercise Period Commencement Date of Stock Acquisition Rights (defined at (f) of 2.4 'Outline of the gratis allotment of Stock Acquisition Rights') may make a new recommendation (before the gratis allotment has taken effect) to cancel the gratis allotment of Stock Acquisition Rights or (after the gratis allotment has taken effect) to acquire the Stock Acquisition Rights without consideration.

(A) The Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.

(B) There is a change in the facts or otherwise upon which the recommendation decision was made, and the Acquisition by the Acquirer does not meet any of the requirements set out below in (3), 'Requirements for the gratis allotment of Stock Acquisition Rights', or it is not reasonable to implement the gratis allotment or allow the shareholders to exercise the Stock Acquisition Rights even if the Acquisition by the Acquirer does meet one of the requirements.

Even if the Committee for the Assessment of Corporate Value determines that the implementation of the gratis allotment of the Stock Acquisition Rights is reasonable, the Committee for the Assessment of Corporate Value will recommend to the Company's board of directors convocation of a general meeting of shareholders and submission of a proposal to implement the gratis allotment of Stock Acquisition Rights, if it deems it necessary to pass a resolution at the general meeting of shareholders to implement the gratis allotment of Stock Acquisition Rights.

(ii) Recommendations for the non-implementation of gratis allotment of Stock Acquisition Rights

If, as a result of its consideration of the terms of the Acquirer's Acquisition and discussions and negotiations with the Acquirer, the Committee for the Assessment of Corporate Value determines that the Acquisition by the Acquirer does not meet any of the requirements set out below at (3), 'Requirements for the gratis allotment of Stock Acquisition Rights,' or it is not reasonable to implement the gratis allotment of Stock Acquisition Rights even if the Acquisition by the Acquirer does meet one of the requirements, the Committee for the Assessment of Corporate Value will recommend the non-implementation of the gratis allotment of Stock Acquisition Rights to the Company's board of directors, regardless of whether the Committee for the Assessment of Corporate Value Consideration Period has ended.

However, even after the Committee for the Assessment of Corporate Value has already made a recommendation for the non-implementation of the gratis allotment of Stock Acquisition Rights, if the Committee for the Assessment of Corporate Value determines that there is a change in the facts or otherwise upon which the recommendation decision was made and the Acquirer's Acquisition meets any of the requirements set out below at (3), 'Requirements for the gratis allotment of Stock Acquisition Rights,' and the

Committee for the Assessment of Corporate Value subsequently decides that implementation of the gratis allotment of Stock Acquisition Rights is appropriate, it may make a new judgment including a new recommendation on the implementation of the gratis allotment of Stock Acquisition Rights, and recommend that judgment to the Company's board of directors.

(iii) Extension of the Committee for the Assessment of Corporate Value Consideration Period

If the Committee for the Assessment of Corporate Value does not reach a recommendation for either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights by the expiry of the initial Committee for the Assessment of Corporate Value Consideration Period, the Committee for the Assessment of Corporate Value will, to the reasonable extent necessary for actions such as consideration of the terms of the Acquirer's Acquisition, discussions and negotiations with the Acquirer and the consideration of alternative proposals, pass a resolution to extend the Committee for the Assessment of Corporate Value Consideration Period (and any extension of the new period after a period has been extended will follow the same procedure).

If the Committee for the Assessment of Corporate Value Consideration Period is extended as a result of the resolution described above, the Committee for the Assessment of Corporate Value will continue with its information collection and consideration process and like activities for the purpose the period was extended, and use best efforts to make a recommendation for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights within the extended period.

(e) Resolutions of the board of directors and convocation of a general meeting of shareholders

The Company's board of directors, in exercising their role under the Corporation Law, will promptly pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights (including suspension of the gratis allotment of Stock Acquisition Rights) respecting that recommendation from the Committee for the Assessment of Corporate Value described above to the maximum extent.

If the Company's board of directors obtains a recommendation from the Committee for the Assessment of Corporate Value for convocation of a general meeting of shareholders to resolve the gratis allotment of Stock Acquisition

Rights, the Company's board of directors will promptly convene a general meeting of shareholders in order to hold the meeting as soon as practicably possible, and submit a proposal on the implementation of the gratis allotment of Stock Acquisition Rights. The Company's board of directors will, when the resolution on the gratis allotment of Stock Acquisition Rights (the resolution in accordance with the amended Article 18.3 of the Company's Articles of Incorporation) is passed at the general meeting of shareholders, take the procedures necessary for the gratis allotment of Stock Acquisition Rights in accordance with the resolution of the general meeting of shareholders. The Acquirer must not effect the Acquisition during the period from the commencement of the Plan procedures until (i) the Company's board of directors passes a resolution for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, or (ii) shareholders at the general meeting approve or disapprove the gratis allotment of Stock Acquisition Rights (if it is held).

After the Company's board of directors passes a resolution on the implementation or non-implementation of Stock Acquisition Rights or convocation of the general meeting of shareholders, or shareholders at the general meeting approve or disapprove the gratis allotment of Stock Acquisition Rights, the Company's board of directors will promptly disclose an outline of its resolution, and any other matters that the board of directors considers appropriate.

(3) Requirements for the gratis allotment of Stock Acquisition Rights

The Company intends to implement the gratis allotment of Stock Acquisition Rights by a resolution of the Company's board of directors or the general meeting of shareholders as described above at (e) of (2), 'Procedures for the Plan' if it is considered that an Acquisition by an Acquirer falls under any of the items (a) through (e) below and the implementation of the gratis allotment of Stock Acquisition Rights is reasonable. However, the Company's board of directors will, without fail, make its determination as to whether an Acquisition by an Acquirer falls under a requirement below and whether it is reasonable to implement the gratis allotment of the Stock Acquisition Rights through the recommendation of the Committee for the Assessment of Corporate Value in accordance with (d) of (2) above, 'Procedures for the Plan.'

(a) Acquisitions not in compliance with the procedures set out in the Plan such as provision of information or ensuring the Committee for the Assessment of Corporate Value Consideration Period set out above at (b) of (2), 'Procedures for

triggering the Plan'. For example:

- (i) Acquisition that does not provide the Company's board of directors with the period of time reasonably necessary to submit alternative proposals to the Acquisition.
  - (ii) Acquisition that does not provide the Committee for the Assessment of Corporate Value with the Committee for the Assessment of Corporate Value Consideration Period set out in the Plan.
  - (iii) Acquisition that comes into effect without the resolution of the general meeting of shareholders regardless of the recommendation of the Committee for the Assessment of Corporate Value to obtain shareholders' decision at the general meeting of shareholders.
  - (iv) Acquisition in which the provision of Essential Information or any other information considered reasonably necessary to assess the Acquisition terms is inadequate.
- (b) Acquisitions that threaten to cause obvious harm to the corporate value of the Company group and, in turn, the common interests of its shareholders through actions described below or any similar action:
- (i) Buyout of shares to require such shares to be compulsorily purchased by the Company group at an inflated price.
  - (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company group, such as temporary control of the Company group's management for the low-cost acquisition of the Company group's material assets.
  - (iii) Diversion of the Company group's assets to secure or repay debts of the Acquirer or its group company.
  - (iv) Temporary control of the Company group's management to bring about a disposal of high-value assets that have no current relevance to the Company group'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.
  - (v) Acquisition made with no intention of truly participating in corporate management and solely for the purpose of increasing the stock price of the Company and having the Company's affiliates purchase shares in the Company at a higher price.
- (c) Acquisition that threatens to have the effect of coercing the shareholders into



selling shares, such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers that do not offer to acquire all shares in the initial acquisition, and set acquisition terms for the second stage that are unfavorable for the shareholders for the second stage or do not set clear terms for the second stage).

- (d) Acquisition of which the terms (including amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, the probability of the Acquisition being effected, post-Acquisition management policies and business plans, and post-Acquisition policies dealing with the Company's other shareholders, the Company group's employees, business partners, customers and any other stakeholders in the Company group) are materially inadequate or inappropriate in light of the Company group's intrinsic value.
- (e) Acquisition that materially threatens to be against the corporate value of the Company group and, in turn, the common interests of its shareholders, by destroying the relationship with the Company group's employees, customers, business partners and the like or the source of the corporate value, brand value or corporate culture of the Company group, which is indispensable to the generation of the Company group's corporate value.

(4) Outline of the gratis allotment of Stock Acquisition Rights

An outline of the gratis allotment of Stock Acquisition Rights under the Plan is described below.

(a) Number of Stock Acquisition Rights

The number of the Stock Acquisition Rights will be the same number as the final and 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 that is separately determined by the Company's board of directors or the general meeting of shareholders in the resolution relating to the gratis allotment of Stock Acquisition Rights (that date, the "Allotment Date"; that resolution, the "Gratis Allotment Resolution").

(b) Entitled Shareholders

The Company will allot the Stock Acquisition Rights without consideration to those shareholders, other than the Company, who are entered or recorded in the Company's final register of shareholders or register of beneficial shareholders as of the Allotment Date, at a ratio of one Stock Acquisition Right for every one

share of the Company held.

(c) Effective date of the gratis allotment of Stock Acquisition Rights

The effective date of the gratis allotment of Stock Acquisition Rights in the Gratis Allotment Resolution is to be separately determined.

(d) Number of shares to be acquired upon exercise of the Stock Acquisition Rights

The number of shares to be acquired upon exercise of each Stock Acquisition Right<sup>9</sup> (the “Applicable Number of Shares”) shall be one share except as separately adjusted.

(e) The amount of properties to be contributed upon exercise of the Stock Acquisition Rights

Contributions upon exercise of the Stock Acquisition Rights are to be in cash, and the amount per share of properties to be contributed upon exercise of the Stock Acquisition Rights will be an amount separately determined in the Gratis Allotment Resolution within the range between a minimum of one yen and a maximum of any amount equivalent to one-half of the fair market value of one share of 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 Tokyo Stock Exchange on each day during the 30 to 180 day period prior to the Gratis Allotment Resolution separately determined by the board of directors (excluding the days on which trades are not made), with any fraction of a yen resulting from 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 shall be referred to as the “Exercise Period Commencement Date”), and the period will be a period from one month to three months long as separately determined in the Gratis Allotment Resolution; provided, however, that if the Company acquires the Stock Acquisition Rights pursuant to the provisions of paragraph (i) (ii) below, the exercise period of the Stock Acquisition Rights with respect to that acquisition will be up to and including the business day immediately prior to the relevant acquisition date. Further, if the final day of the exercise period falls on a holiday for the payment place for the cash payable upon exercise, the final day will be the preceding business day.

(g) Conditions for the exercise of the Stock Acquisition Rights

As a general rule, the following parties may not exercise the Stock

Acquisition Rights (the parties falling under (i) through (vi) below shall collectively be referred to as the “Non-Qualified Parties”):

- (i) Specified Large Holders<sup>10</sup>;
- (ii) Joint Holders of Specified Large Holders;
- (iii) Specified Large Purchasers<sup>11</sup>;
- (iv) Persons having a Special Relationship with Specified Large Purchasers;
- (v) Any transferee of or successor to the Stock Acquisition Rights of any person falling under (i) through (iv) without the approval of the Company’s board of directors; or
- (vi) Any Affiliated Party<sup>12</sup> of any person falling under (i) through (v).

Further, nonresidents of Japan who are required to follow certain procedures under foreign laws and ordinances to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (except, however, that certain nonresidents, such as those who may use any exemption provision under applicable laws and ordinances in such foreign country, will be able to exercise the Stock Acquisition Rights, and 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 (i), ‘Acquisition of the Stock Acquisition Rights by the Company’ below). In addition, anyone who fails to submit a written undertaking, in a 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) Restriction on assignment of the 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 the 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 recognizes that it is appropriate for the Company to acquire the Stock Acquisition Rights, the Company may, on a date separately determined by the Company’s board of directors, acquire all of the Stock Acquisition Rights without consideration.
- (ii) 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 on or before the business day immediately prior to such date determined by the Company’s board of directors, that are held by parties

other than the Non-Qualified Parties and, in exchange, deliver shares in the Company in the number of the Applicable Number of Shares for every one Stock Acquisition Right. If any third party other than the Non-Qualified Parties obtains the Stock Acquisition Rights held by the Non-Qualified Parties by transfer on or after the acquisition by the Company, the Company may acquire those Stock Acquisition Rights originally held by the Non-Qualified Parties.

In addition to the above, the Company may determine the matters relating to the acquisition of the Stock Acquisition Rights other than (i) and (ii) above (such as matters relating to the acquisition of the Stock Acquisition Rights from the Non-Qualified Parties) upon the specific Gratis Allotment Resolution, if it deems appropriate from the appropriateness viewpoint based on the recommendation of the Committee for the Assessment of Corporate Value or the resolution of the general meeting of shareholders.

- (j) Delivery of the Stock Acquisition Rights in the Case of Merger, Absorption-type Demerger (*kyushu bunkatsu*), Incorporation-type Demerger (*shinsetsu bunkatsu*), Share Exchange (*kabushiki koukan*), and Share Transfer (*kabushiki iten*)

These matters are to 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.

- (5) Effective period, abolition and amendment of the Plan

The effective period of the Plan (also the period for assignment of the authority to decide matters relating to the gratis allotment of Stock Acquisition Rights) as resolved by resolution of the Ordinary General Meeting of Shareholders set out in 2.5 ‘Procedures for the introduction of the Plan’ (the “Effective Period”) shall be the period commencing after the resolution at the Ordinary General Meeting of Shareholders and until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within two years after the conclusion of the Ordinary General Meeting of Shareholders.

However, if, even before the expiration of the Effective Period, (a) a general meeting of shareholders of the Company passes a resolution to abolish the Plan, or (b) the Company’s board of directors passes a resolution to abolish the Plan, the Plan and authorization under the Plan shall be abolished or withdrawn 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 the resolution of the Ordinary General Meeting of Shareholders set out in (b) of 2.5 ‘Procedures for the introduction of the Plan’ (including cases where any law, regulation, financial product exchange rules or the like concerning the Plan is introduced, amended or abolished and it is appropriate to reflect such introduction, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, and cases where such revision or amendment does not detriment the Company’s shareholders, and the like), and subject to the approval of the Committee for the Assessment of Corporate Value.

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

(6) Revision due to amendment to laws and ordinances

The provisions of laws and ordinances referred to in the Plan are subject to the prevailing provisions as of February 7, 2008. If it becomes necessary to amend the terms and conditions or definitions of terms set out above after such date due to the introduction, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the paragraphs above shall be read accordingly as required to a reasonable extent, upon consideration on the purposes of such introduction, amendment or abolishment.

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<sup>1</sup> Defined in Article 27-23(4) of the Financial Instruments and Exchange Law of Japan. This definition is applied throughout this document.

<sup>2</sup> Including persons described as a holder under Article 27-23(3) of the Financial Instruments and Exchange Law of Japan (including persons who are deemed to fall under the above by the Company’s board of directors). The same is applied throughout this document.

<sup>3</sup> Defined in Article 27-23(1) of the Financial Instruments and Exchange Law of Japan. Unless otherwise provided for in this document, the same is applied throughout this document.

<sup>4</sup> Defined in Article 27-2(6) of the Financial Instruments and Exchange Law of Japan. The same is applied throughout this document.

<sup>5</sup> Defined in Article 27-2(8) of the Financial Instruments and Exchange Law of Japan. The same is applied throughout this document.

<sup>6</sup> Defined in Article 27-2(1) of the Financial Instruments and Exchange Law of Japan. The same is applied in (a)(ii).

<sup>7</sup> Defined in Article 27-2(7) of the Financial Instruments and Exchange Law of Japan (including persons who are deemed to fall under the above by the board of directors of the Company); provided, however, that persons 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 Law of Japan. The same is applied throughout this document.

<sup>8</sup> Including persons described as “joint holders” under Article 27-23(5) of the Financial Instruments and Exchange Law of Japan, including persons regarded as a joint holder under Article 27-23(6) of the Financial Instruments and Exchange Law of Japan (including persons who are deemed to fall under the above by the Company’s board of directors.). The same is applied throughout this document.

<sup>9</sup> Even if the Company becomes a Corporation with Class Shares (defined in Article 2(13) of the Corporation Law), both (i) the shares in the Company to be issued upon exercise of the Stock Acquisition Rights and (ii) the shares to be delivered in exchange for acquiring the Stock Acquisition Rights means the same type of shares that are currently outstanding (common stock) at the time of the Ordinary General Meeting of Shareholders.

<sup>10</sup> “Specified Large Holder” means a person 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 those deemed so 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 group’s corporate value and, in turn, the common interests of its shareholders or certain other party that the Company’s board of directors determines in the Gratis Allotment Resolution is not a Specified Large Holder. The same is applied throughout this document.

<sup>11</sup> “Specified Large Purchaser” means a person who makes a public announcement of purchase, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Law; the same is applied throughout this Note 11) of share certificates, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Law; the same is applied throughout this Note 11) 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 Law) is at least 20% when combined with the ratio of ownership of share certificates, etc., of a person having a special relationship (including those deemed so 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 group’s corporate value and, in turn, the common interests of its 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.

<sup>12</sup> 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 those deemed so by the Company’s board of directors that ), or a party deemed by the Company’s board of directors to act in concert with such given party. “Control” means to “control decisions on the financial and business policies” (as defined in Article 3(3) of the Enforcement Regulations of the Corporation Law) of other corporations or entities.

## **Attachment 1**

### **Outline of the Rules of the Committee for the Assessment of Corporate Value**

- The Committee for the Assessment of Corporate Value shall be established by resolution of the Company's board of directors.
- There shall be no less than three members of the Committee for the Assessment of Corporate Value, and the Company's board of directors shall elect the members from (i) outside directors of the Company, (ii) outside statutory corporate auditors of the Company, and (iii) other outside experts who are independent from the management that executes the business of the Company. However, such outside experts must be experienced corporate managers, parties with experience as government officials, parties with knowledge of the investment banking industry or the Company's business field, lawyers, certified public accountants, researchers whose research focuses on the Corporation Law of Japan 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 them to exercise the duty of care of a good manager or similar provision.
- Unless otherwise determined by a resolution of the Company's board of directors, the term of office of members of the Committee for the Assessment of Corporate Value shall be until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within two years after the conclusion of the Ordinary General Meeting Of Shareholders. However, the term of office of any member of the Committee for the Assessment of Corporate Value who is an outside director or outside statutory corporate auditor of the Company shall end simultaneously in the event that they cease to be a director or statutory corporate auditor (except in the case of their re-election).
- The Committee for the Assessment of Corporate Value shall make decisions on the matters listed in (a) through (c) below and make recommendations to the Company's board of directors containing the details of and reasons for the recommendation. Respecting such recommendations of the Committee for the Assessment of Corporate Value to the maximum extent, the Company's board of directors shall, in exercising their role under the Corporation Law, pass resolutions concerning the implementation or non-implementation of the gratis allotments of Stock Acquisition Rights. Each member of the Committee for the Assessment of Corporate Value and each director of the Company must make such decisions with a view to whether the decision will serve the Company group's corporate value and the common interests of its shareholders, 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 (including submission of proposals on these matters to the general meeting of shareholders).
  - (b) The cancellation of the gratis allotment of Stock Acquisition Rights or the acquisition of the Stock Acquisition Rights without consideration.
  - (c) Any other matters that are for determination by the Company's board of directors in respect to which it has consulted the Committee for the Assessment of Corporate Value.
- In addition to the matters prescribed above, the Committee for the Assessment of Corporate Value shall conduct the matters listed in (a) through (j) below.
- (a) Determining whether the Acquisitions should be subject to the triggering of the Plan.
  - (b) Determining information that the Acquirer and the Company's board of directors should provide to the Committee for the Assessment of Corporate Value, and the deadline for the provision of that information.
  - (c) Examination and consideration of the terms of the Acquirer's Acquisitions.
  - (d) Discussion and negotiation with the Acquirer.
  - (e) Request to the Company's board of directors for an alternative proposal and consideration of the alternative proposal.
  - (f) Extension of the Committee for the Assessment of Corporate Value Consideration Period.
  - (g) Approval of revision or amendment of the Plan.
  - (h) Abolition of the Plan.
  - (i) Any other matters that the Plan prescribes that the Committee for the Assessment of Corporate Value may conduct.
  - (j) Any matters that the Company's board of directors separately determines that the Committee for the Assessment of Corporate Value may conduct.
- If the Committee for the Assessment of Corporate Value determines that information provided by the Company's board of directors is insufficient as Essential Information, it shall request that the Acquirer provide additional Essential Information. Further, if the Committee for the Assessment of Corporate Value receives from the Acquirer the Acquisition Statement and any additional Essential Information that it requests, it may request that the Company's board of directors provide within a certain period an opinion regarding the terms of the Acquirer's Acquisition and materials supporting that opinion, an alternative proposal (if any), and any other information and materials that the Committee for the Assessment of Corporate Value may consider necessary from time to time.



- If it is necessary, the Committee for the Assessment of Corporate Value shall directly, or indirectly through the Company's board of directors, discuss and negotiate with the Acquirer, or present to the shareholders the alternative plan provided by the Company's board of directors, etc., or conduct any similar action in order to improve the terms of Acquirer's Acquisition from the perspective of ensuring and enhancing the corporate value of the Company group and, in turn, the common interests of its shareholders.
- In order to collect necessary information, the Committee for the Assessment of Corporate Value may request the attendance of a director, statutory corporate auditor or employee of the Company, or any other party that the Committee for the Assessment of Corporate Value considers necessary, and may require explanation of any matter it requests.
- The Committee for the Assessment of Corporate Value may, at the Company's expense, obtain the advice of an independent third party (including financial advisers, certified public accountants, lawyers, consultants and other experts) and conduct similar actions.
- Any member of the Committee for the Assessment of Corporate Value may convene a meeting of the Committee for the Assessment of Corporate Value when an Acquisition arises, or at any other time.
- Resolutions of a meeting of the Committee for the Assessment of Corporate Value shall, in principle, pass with at least a majority of the votes cast when all the members of the Committee for the Assessment of Corporate Value are in attendance. However, when members are unable to act or faced with unavoidable circumstances, a resolution may pass with a majority of voting rights when a majority of the members of the Committee for the Assessment of Corporate Value are in attendance.

## **Attachment 2**

### **Career Summary of Committee for the Assessment of Corporate Value Members**

The following four people are scheduled to be the initial members of the Committee for the Assessment of Corporate Value upon introduction of the Plan.

#### **Shingo Matsuo**

Born May 19, 1938

##### [Business Background]

- Apr. 1963     Joined Kyushu Electric Power Company Inc.
- July 1994     Appointed General Manager of Kyushu Electric Power Company Inc.
- June 1997     Appointed Director of Kyushu Electric Power Company Inc.
- June 1998     Appointed Managing Director of Kyushu Electric Power Company Inc.
- June 2003     Appointed President of Kyushu Electric Power Company Inc.
- Mar. 2005     Appointed Director of the Company (Outside Director)
- July 2006     Appointed Member of Management Advisory Committee of the Company  
(current position)
- June 2007     Appointed Chairperson of Kyushu Electric Power Company Inc. (current  
position)

#### **Kazuhiko Enomoto**

Born September 25, 1943

##### [Business Background]

- Apr. 1966     Joined The Nippon Fudosan Bank, Ltd (now Aozora Bank, Ltd.)
- Apr. 1972     Joined The Fukuoka Sogo Bank, Ltd. (now The Nishi-Nippon City Bank, Ltd.)
- Apr. 1983     Joined Fukuoka Jisho Co., Ltd.
- June 1984     Appointed Senior Managing Director of Fukuoka Jisho Co., Ltd.
- Mar. 1977     Appointed Director of Royal Co., Ltd. (now Royal Holdings Co., Ltd.)
- Aug. 1979     Appointed Representative Director/President of Fukuoka Jisho Co., Ltd.
- Mar. 1991     Appointed Representative Director/Vice Chairman of Royal Co., Ltd. (now Royal  
Holdings Co., Ltd.)

- Mar. 1997 Appointed Representative Director/Chairman of Royal Co., Ltd. (current position)
- Aug. 2003 Appointed Representative Director/Chairman of Fukuoka Jisho Co., Ltd. (current position)
- Mar. 2005 Appointed Director of the Company (Outside Director)
- July 2006 Appointed Member of Management Advisory Committee of the Company (current position)

### **Susumu Ishihara**

Born April 30, 1945

#### [Business Background]

- July 1969 Joined Japanese National Railways
- Apr. 1987 Appointed Manager of Management Planning Division, General Planning Group of Kyushu Railway Company
- June 1993 Appointed Director of Kyushu Railway Company
- June 1997 Appointed Managing Director of Kyushu Railway Company
- June 2001 Appointed Senior Managing Director of Kyushu Railway Company
- June 2002 Appointed President of Kyushu Railway Company (current position)
- Mar. 2005 Appointed Director of the Company (Outside Director)
- July 2006 Appointed Member of Management Advisory Committee of the Company (current position)

## **Takashi Matsuzaki**

Born March 4, 1946

### [Business Background]

- Apr. 1974 Registered as lawyer. Joined Wachi Law Office.
- Aug. 1988 Established Tokunaga Matstuzaki Law Office (now Tokunaga, Matsuzaki and Saito Law Office). Appointed Partner.
- Apr. 2004 Appointed President of Fukuoka Bar Association
- Mar. 2005 Appointed Statutory Auditor of the Company (Outside Statutory Auditor)
- Apr. 2005 Appointed Vice President of the Japan Federation of Bar Associations
- July 2006 Appointed Member of Management Advisory Committee of the Company (current position)

The Company has entered into a legal advisor agreement with Mr. Takashi Matsuzaki.