



05/15/2009

Name of Company	Nippon Suisan Kaisha, Ltd	
Name of Representative	President & CEO	Naoya Kakizoe
	Code No. 1332	
Contact	Board Member, Manager of General Affairs Dept. (Telephone: 03-3244-7181)	Koki Sato

**Implementation of Measures Against Large-Volume Purchase of NISSUI Shares
(Takeover Defense Measures)**

As detailed below, Nippon Suisan Kaisha, Ltd. (NISSUI), at its board of directors meeting held today, identified the basic policy on the well-being of the party having authority over determining the company's financial and operational policies (hereinafter, the "basic policy") in its aim to secure and enhance the corporate value of the company and its group companies (hereinafter, the "NISSUI Group"). In light of this basic policy, NISSUI reached a resolution to implement measures against large-volume purchase of NISSUI shares (anti-takeover measures; hereinafter, "the Plan") as a way of preventing decisions over NISSUI's financial and operational policies from being controlled by an inappropriate party, provided that approval at the 94th general shareholders' meeting scheduled on June 25, 2009 (hereinafter, "the general shareholders' meeting") is obtained.

All four auditors of the company including two outside auditors have expressed their agreement with the implementation provided that the Plan is operated properly.

The status of major shareholders of the company as of March 31, 2009 is as indicated under "Status of Major Shareholders" in Attachment 1.

I. Basic policy on the well-being of the party having authority over determining financial and operating policies of NISSUI (hereinafter, "the basic policy")

Given that shares and other instruments of NISSUI, a listed company, are subject to free trading by shareholders and investors, it is the opinion of the board of directors of the Company that the well-being of the party having authority over the determination of financial and operating policies of NISSUI should be defined eventually based on the views of the shareholders of the Company, and that whether or not to sell the shares of the Company in response to a massive purchase by a specific party should also be left ultimately to the judgment of the shareholders of the Company.

Meanwhile, it is assumed that among the cases of corporate takeovers pursued without concurrence of the board of directors of a company include cases that impair the corporate value of the Company and the common interests of shareholders, such as 1) a disposal of key operating resources that would clearly damage the corporate value, 2) a takeover proposal that lacks adequate information on the contents of the action and the buyer, 3) a takeover proposal which does not allow enough time for the board of directors of the targeted firm to consider the buyout proposal and offer an alternative plan to shareholders, 4) a plan with a mechanism that forces the shareholders to agree to the takeover, 5) an action that destroys relationships established with customers, business correspondents, employees and other stakeholders that were essential in continuously enhancing the corporate value of the NISSUI Group, 6) a plan that is inadequate or improper considering the fundamental value of the NISSUI Group such as technology and R&D capability, supply chain for marine products via the global network, and safe, reliable products and service offerings.

NISSUI believes that anyone that pursues such steps of massive purchase is inappropriate as a party to hold authority over the determination of financial and operational policies of the Company and hence should take considerable and required actions against massive purchases by such a party.

II. Efforts to support realization of the basic policy

NISSUI, in its aim to secure and enhance the corporate value of the NISSUI Group and the common interests of shareholders, has been pursuing the following measures.

1. Efforts to enhance corporate value under the mid-term management plan, “the New TGL Plan”

NISSUI as it looks ahead toward the 100th anniversary of its incorporation, rolled out the new TGL – True Global Links – Plan, a mid-term management plan in fiscal 2006, and in order to maximize the synergy in collaborating more widely and effectively with partners around the world for converting marine resources to customers’ values has been pursuing activities to

establish a highly profitable operating structure with the manufacturer function as the core.

Basic management policies under the New TGL Plan are as follows.

Basic management policies under the “New TGL Plan”

We will contribute to the realization of healthy, enriched lives for people in the world by creating diverse values from marine resources and delivering them to customers.

- (1) Build a global supply chain of marine products.
- (2) Place emphasis on quality, cost, R&D and marketing.
- (3) Venture into and tap pioneering fields of the business of NISSUI.
- (4) Continue to make effective use of the land and marine resources and be environmentally friendly.
- (5) Behave with integrity as a company and as individuals.

Under the New TGL Plan, NISSUI will concentrate its management resources on R&D and manufacturing functions that can better create values to build a new business model that links natural and scientific powers with living values. In addition, NISSUI will pursue a shareholder-oriented management approach with business targets for fiscal 2011 of consolidated sales of at least 600 billion yen and consolidated operating income of at least 30 billion yen (consolidated operating margin of at least 5%).

2. Strengthening of corporate governance

NISSUI recognizes that corporate governance needs to be strengthened to continuously enhance the corporate value of the overall NISSUI Group. By clearly defining the operation execution function that effectively and promptly determines and launches key strategies and the surveillance function that monitors operation execution, the Company has been making efforts to implement various measures to improve management transparency.

Specifically, to further clarify the management responsibility of board members toward shareholders, NISSUI reached a resolution to reduce the term of board members from two years to one at the 91st general shareholders’ meeting held on June 28, 2006. Subsequently, at the board of directors meeting on May 15, 2009, NISSUI agreed to implement the executive officer system after the close of this year’s general shareholders’ meeting and to submit a proposal at the general shareholders’ meeting for reducing the number of board members and electing two outside directors.

III. Contents of the Plan

1. Purpose of the Plan

The Plan will be implemented with the purpose of preventing, in light of the aforementioned basic policy, an inappropriate party from determining the financial and operational policies of NISSUI and thereby securing and enhancing the corporate value of the NISSUI Group and the common interests of shareholders.

The Plan aims to secure and enhance the corporate value of the NISSUI Group and the common interests of shareholders when shares, and other instruments of NISSUI are purchased or otherwise handled (defined under 2. (1) hereafter) by securing the necessary information and time for shareholders to make appropriate judgments, proposing management plans and alternatives to shareholders and conducting negotiations with buyers and other parties on behalf of shareholders.

The status of major shareholders of the Company as of March 31, 2009 is as indicated under “Status of Major Shareholders of the Company” in Attachment 1. As of this date, NISSUI has not received any specific proposal suggesting a massive purchase of shares or other instruments of the Company.

2. Contents of the Plan

The contents of the Plan are as described hereafter. Also available for your reference is a flowchart summarizing the flow of procedures under the Plan.

(1) Applicable purchases, etc.

The Plan applies when an act corresponding to 1) or 2) of the following and its equivalent or a proposal to execute such an act (excluding actions otherwise acknowledged by the board of directors of NISSUI; hereinafter, “the purchase, etc.”) is executed.

- 1) With respect to shares, etc.¹ issued by NISSUI, a purchase or other acquisitions by which the holder² of shares, etc. accounts for 20% or more in holding ratio³.
- 2) With respect to shares, etc.⁴ of shares, etc. issued by NISSUI, a tender offer⁵ by which the holding ratio⁶ of shares related to the tender offer plus the shareholding ratio of the

¹ Provided for under Article 27.23, Clause 1 of the Financial Instruments & Exchange Law. The same applies hereafter unless otherwise specified.

² The holder provided for under Article 27.23, Clause 1 of the Financial Instruments & Exchange Law and includes any party included as a holder as stipulated under Article 27.23, Clause 3. The same applies hereafter.

³ Provided for under Article 27.23, Clause 4 of the Financial Instruments & Exchange Law. The same applies hereafter.

⁴ Provided for under Article 27.2, Clause 1 of the Financial Instruments & Exchange Law. The same applies in (2).

⁵ Provided for under Article 27.2, Clause 6 of the Financial Instruments & Exchange Law. The same applies hereafter.

⁶ Provided for under Article 27.2, Clause 8 of the Financial Instruments & Exchange Law. The same applies hereafter.

special related party⁷ total 20% or more.

(2) Requesting the buyer for information

A buyer, etc. is asked, prior to the execution of the purchase, etc., to submit to the board of directors of the Company, information required in each of the following paragraphs, a pledge document in which the buyer, etc. agrees to comply with the procedures set forth in the Plan when executing the purchase, etc. and other materials recorded in Japanese (hereinafter collectively referred to as “purchase statement”).

The board of directors of the Company, when receiving a purchase statement, will promptly deliver the document to the independent committee for information disclosure.

The board of directors of NISSUI, if it determines rationally that the contents recorded in the subject purchase statement are inadequate, may request the buyer, etc. to provide additional information by setting the respective response due date. In this case, the buyer, etc. is asked to additionally provide the board of directors of the Company with the requested information by the given deadline.

- 1) Details of the buyer, etc. and its group (including joint holder⁸, special related party, and (in case of a fund) each member and other participants): (for each party: name, representative and directors, history, business description, capital composition, financial status, other accounting conditions as well as relationships of companies within the group (including capital relationship, transaction relationship, concurrent responsibility as management or staff and other personnel relationships and outline of contract relationship))
- 2) Purpose, method and contents of the purchase, etc. (including legality of the purchase method and probability of execution of the purchase, etc.)
- 3) Type and amount of purchase proceeds (in case securities, etc. are the proceeds, record type and conversion ratio of the securities; in case of securities, etc. and money as proceeds, record type and conversion rate of the securities and amount of money) and the basis and course of calculation of the amount (record the underlying basis of calculation in detail and in case the amount differs from the market price or the price

⁷ Provided for under Article 27.2, Clause 7 of the Financial Instruments & Exchange Law. However, with respect to the party provided in Paragraph 1 of the said Clause, the party provided in Article 3, Clause 2 of the Cabinet Order Concerning Disclosure of Tender Offer by a Party Other Than the Issuer. The same applies hereafter.

⁸ The joint holder provided for in Article 27.23, Clause 5 of the Financial Instruments & Exchange Law and includes any party considered as joint holder as provided under Clause 6 of the said Article. The same applies hereafter.

of a recent transaction executed by the buyer, etc., record the contents of the difference. In addition, with respect to the variance in purchase prices depending on the type of the share, etc., explain in detail the concept of conversion. Specifically describe the course of calculation illustrating how the amount was determined, including in case an opinion from a third party was sought, the name of the third party and the summary of the opinion received)

- 4) Method of procuring funds required for the purchase, etc. and profile of the funds supplier
- 5) Details of past trading of NISSUI shares, etc. by the buyer, etc. and its group
- 6) Specific treatment and handling policies on employees, customers and interested parties of the Company after the purchase, etc.
- 7) In case the purpose of the purchase, etc. is to attain supremacy or management participation, the method of achieving supremacy or management participation of the Company and the NISSUI Group expected after the completion of the purchase as well as the management policy after acquiring supremacy or the plan concerning financial planning, capital strategy, dividend policy and capital utilization measures after management participation
- 8) In case the purpose of the purchase, etc. is pure investment or strategic investment, holding and trading policies of shares, etc. after the purchase, etc. and the policy on voting right exercise as well as reasons underlying such policies. In case the purchase, etc. is aimed at long-term capital alliance, the degree of necessity for such an action
- 9) In case after the purchase etc., it is expected that the shares, etc. of the company will be delisted, such a possibility and the underlying reason
- 10) In case in terms of the purchase, etc. any communication of intent on the acquisition, transfer and rights exercise regarding the shares, etc. of the Company exists with a third party, the purpose and the contents of the communication as well as the profile of the third party
- 11) Any other information determined rationally as necessary by the board of directors or the independent committee of the Company

(3) Review of contents of the purchase, etc., negotiation with the buyer, etc. and opinion formation by the board of directors

- 1) Establishment of the period of board review

The board of directors, when acknowledging that the buyer, etc. has provided adequate information and materials, etc. (including additional information required) sets,

depending on the level of difficulty in assessing the conduct of massive purchase, etc. and as a general rule, the period of assessment, review, negotiation, opinion formation and alternative proposal development (hereinafter, the “period of board review”) as 60 days for a massive purchase via a tender offer for which the proceeds are paid in money (yen currency) only and all shares, etc. of the Company are applicable while 90 days for any other large-volume purchase (in both cases, the first day is not counted).

The board of directors of NISSUI, based on the required information provided by the buyer, etc. during the period of board review seeks advice from respective external experts as necessary and performs adequate evaluation and review of the specifics of the buyer, etc. and the purchase, etc. as well as of the affect of the purchase, etc. on the corporate value of the Company and the common interests of shareholders.

Moreover, if necessary, the board of directors may negotiate conditions and methods concerning the purchase, etc. with the buyer, etc. and further present an alternative proposal to the shareholders.

2) Selection of procedure for confirming shareholders’ intent or procedure for consulting the independent committee

The board of directors of the Company, with respect to executing or not executing the gratuitous allotment of subscription rights, will reach a resolution on whether to pursue the procedure to confirm shareholders’ intent or to consult the independent committee and other matters in accordance with the judgment standards i), ii) and iii).

- i) The board of directors, in consideration of the circumstances surrounding the purchase, etc. by the buyer, etc., will consult the independent committee in case the buyer, etc. initiates the purchase, etc. without complying with the procedures set forth in the Plan or in case the action taken clearly corresponds to either 2) or 3) of (10) “Conditions for the gratuitous allotment of subscription rights” below and the board recognizes the need to execute the gratuitous allotment of subscription rights.
- ii) The board of directors of the Company will reach a resolution to adopt the procedure for confirming shareholders’ intent in case the purchase, etc. by the buyer, etc. does not apply to i) but corresponds to 4) or 5) of (10) “Conditions for the gratuitous allotment of subscription rights” below and the board recognizes the need to adopt the procedure for confirming shareholders’ intent.
- iii) The board of directors of the Company will, in case determining that the purchase, etc. by the buyer, etc. does not expose the threat of damaging the corporate value of

the NISSUI Group and the common interests of shareholders, promptly reach a resolution not to execute the gratuitous allotment of subscription rights.

(4) Information disclosure

The board of directors of the Company, in view of the facts that took place, e.g. the submission of a purchase statement by the buyer, etc. and the establishment of the period of board review, and the summary of required information and other data, shall promptly disclose the information it determines as appropriate.

(5) Procedure for confirming shareholders' intent

In accordance with (3) 2) ii) above, in case the board of directors reaches a resolution to pursue the procedure for confirming shareholders' intent, shareholder vote will be conducted at the general meeting for confirming shareholders' intent. The general meeting may be held in conjunction with the periodical general shareholders' meeting or an extraordinary shareholders' meeting.

When pursuing the procedure for confirming shareholders' intent, the board of directors of NISSUI will promptly set the record date for determining the shareholders who can exercise the right to vote (hereinafter, the "voting record date") and make a public announcement.

The shareholders who can exercise the right to vote under the procedure for confirming shareholders' intent shall be those shareholders recorded on the final shareholder register as of the voting record date, and one voting ballot is assigned per voting right.

The voting record date shall be the earliest date derived based on the number of days required in determining the substantial shareholders under applicable laws and by Japan Securities Depository Center, Inc., and the public announcement shall be made prior to two weeks before the voting record date.

The shareholder vote conducted at the general meeting for confirming shareholders' intent will determine for or against as done in a normal resolution reached at an ordinary general shareholders' meeting of the Company, and the board of directors, in accordance with the resolution reached, will promptly reach a decision as an institution under the Corporation Law on whether to execute or not the gratuitous allotment of subscription rights.

The board of directors of the Company, when reaching a resolution to proceed with the

procedure for confirming shareholders' intent, will promptly disclose information regarding the fact that the board of directors of the Company made the decision to pursue the procedure for confirming shareholders' intent and the underlying reason, the summary of the results of the procedure taken and any other matters deemed as appropriate by the board.

(6) Establishment of an independent committee and procedure for consultation, etc.

NISSUI will, to secure integrity and fairness in case the board of directors of the Company decides to execute the gratuitous allotment of subscription rights without proceeding with the procedure for confirming shareholders' intent, establish an independent committee composed of outside directors and outside auditors of the Company and external experts in accordance with the independent committee rules described in Attachment 2.

The name and personal history of each member of the independent committee at the inception of the Plan are as indicated in Attachment 3.

The board of directors of the Company, in consideration of the various circumstances including contents of the purchase, etc. by the buyer, etc. based on (3) 2) above, will consult with the independent committee regarding the execution of the gratuitous allotment of subscription rights, in case the buyer, etc. initiates the purchase, etc. without complying with the procedures provided in the Plan or in case the transaction clearly applies to either 2) or 3) of (10) "Conditions for the gratuitous allotment of subscription rights" described below.

In this case, the independent committee will not only receive provision of the purchase statement of the buyer, etc. from the board of directors but may also request the buyer, etc. to present opinions on the purchase, etc., supporting materials, an alternative proposal and any other information and data deemed as necessary by the committee, and the board of directors of the Company shall comply with such requests. The independent committee may, if recognizing from the perspective of securing and enhancing the corporate value of the NISSUI Group and the common interests of shareholders that the contents of the purchase, etc. must be improved, pursue discussions and negotiations with the buyer, etc. through the board of directors of the Company.

The buyer, etc. shall, if requested by the independent committee through the board of directors of the Company to provide materials for review and other information, promptly comply with the request.

(7) Notification by the independent committee

In case, in accordance with (3) 2) i) above, the board of directors of the Company seeks consultation with the independent committee regarding the execution of the gratuitous allotment of subscription rights, the independent committee shall issue a recommendation, etc. to the board of directors of the Company by the end of the period of board review as described below.

In the event that the independent committee issues a notice defined in a., b., and c. below to the board of directors of the Company or deems as appropriate, the committee will promptly disclose through the board of directors of the Company the fact that the notice has been made and the outline of the notice and any other matters it deems as appropriate.

In order that the judgment made by the independent committee contributes to enhancing the corporate value of the NISSUI Group and the common interests of shareholders, the committee at the expense of the Company may receive advice from an independent third party (including a financial adviser, an accountant, a lawyer, a consultant and any other experts).

a. Notifying the execution of the gratuitous allotment of subscription rights

The independent committee, when recognizing as a result of evaluating and reviewing the contents of the purchase, etc. by the buyer, etc. and discussing and negotiating with the buyer, etc. that the purchase, etc. by the buyer, etc. exposes the danger of damaging the corporate value of the Company and the common interests of shareholders, i.e. the purchase, etc. by the buyer, etc. applies to 1), 2) or 3) provided in (10) “Conditions for the gratuitous allotment of subscription rights” below, will issue a notification to the board of directors of the Company that the gratuitous allotment of subscription rights will be executed.

The independent committee however, even after notifying the execution of the gratuitous allotment of subscription rights may issue a new notification prior to the day before the initial date of the exercise start period (defined under ⑥ in (11) Overview of the gratuitous allotment of subscription rights”) to cancel the gratuitous allotment (if before the gratuitous allotment of subscription rights goes into effect) or to make a gratuitous acquisition of subscription rights (if after the gratuitous allotment of subscriptions is in effect) in case having reached the judgment that the situation is applicable to any of the following circumstances.

- i) In case after the notification the buyer, etc. cancels the purchase or the purchase no longer exists.
- ii) In case due to a change arising to the related circumstances underlying the judgment to

issue the notification, the purchase, etc. by the buyer, etc. no longer applies to any of the requirements defined under (10) “Conditions for the gratuitous allotment of subscription rights” or even if applicable, it is recognized that executing the gratuitous allotment of subscription rights or acknowledging the exercise is not appropriate.

b. Notifying the execution of the procedure to confirm shareholders’ intent regarding the gratuitous allotment of subscription rights

The independent committee, when recognizing as a result of evaluating and reviewing the contents of the purchase, etc. by the buyer, etc. and discussing and negotiating with the buyer, etc. that the purchase, etc. by the buyer, etc. does not apply to any of 1), 2) and 3) provided in (10) “Conditions for the gratuitous allotment of subscription rights” below, will issue a notice to the board of directors of the Company prior to the end of the period of board review informing that the procedure for confirming shareholders’ intent will be pursued.

The independent committee however, even once after notifying the decision to proceed with the procedure for confirming shareholders’ intent regarding the gratuitous allotment of subscription rights, may reach a new judgment including a decision to issue a new notification regarding the execution of gratuitous allotment of subscription rights and notify the judgment to the board of directors of the Company in case due to a change arising to the related circumstances underlying the judgment to issue the notice, the committee concludes that the purchase, etc. by the buyer, etc. applies to 1), 2) or 3) provided in (10) “Conditions for the gratuitous allotment of subscription rights” below.

c. Notifying the extension of the period of board review

The independent committee, in case until the end of the period of board review initially set it does not issue the notice to execute the gratuitous allotment of subscription rights or to pursue the procedure for confirming shareholders’ intent, may based on the resolution reached by the committee issue a notice to extend the period of board review within a reasonable scope deemed as necessary for reviewing the contents of the purchase, etc. by the buyer, etc., discussing and negotiating with the buyer, etc. and considering an alternative, and the board of directors of the Company may with full respect for the notification by the independent committee reach a resolution to extend the period of board review within the necessary scope.

In case the board of directors of the Company reaches a resolution to extend the period of board review, the specific period determined in the resolution and the underlying reason will be duly disclosed in a timely manner.

(8) Resolution of the board of directors

The board of directors of NISSUI shall pay full respect to the aforementioned notification issued by the independent committee, and as an institution under the Corporation Law reach in a timely manner conclusions regarding matters such as the execution or non-execution of the gratuitous allotment of subscription rights and the execution of the procedure for confirming shareholders' intent (including cancellation of the gratuitous allotment of subscription rights).

(9) Information disclosure

The board of directors of NISSUI, during the period of board review, will in view of the facts that took place, e.g. the decision made by the board of directors of the Company to consult with the independent committee and the underlying reason, the submission of an alternative proposal (if available) to the independent committee by the board of directors (including as necessary, the contents of the alternative proposal), the contents of the notification issued by the independent committee and the decision reached by the board of directors of the Company regarding the execution or non-execution of gratuitous allotment of subscription rights and other information, promptly disclose the information it determines as appropriate.

(10) Conditions for the gratuitous allotment of subscription rights

NISSUI, in case recognizing that the purchase, etc. by the buyer, etc. exposes the danger of damaging the corporate value of the NISSUI Group and the common interests of shareholders, i.e. the purchase, etc. by the buyer, etc. applies to any of the following and hence calls for the execution of the gratuitous allotment of subscription rights, shall pay full respect to the results of the procedure for confirming shareholders' intent or the notification issued by the independent committee and proceed with the gratuitous allotment of subscription rights in accordance with the resolution reached by the board of directors of the Company.

- 1) In case the purchase, etc. does not comply with the requirements for information offering and securing of the period of board review provided in (2) and (3) above and/or other procedures defined under the Plan.
- 2) In case the purchase, etc., due to the action listed below and any other equivalent conduct, exposes the danger of damaging the corporate value of the NISSUI Group and the common interests of shareholders.
 - a) The act of buying out shares, etc. and claiming NISSUI to purchase the shares at high prices.
 - b) The act of pursuing management by which the benefits of the buyer, etc. are

- realized at the sacrifice of the Company, e.g. temporarily controlling management over NISSUI and acquiring key assets of the Company at low prices.
- c) The act of appropriating the assets of the Company as collateral or source of repaying the debt of the buyer, etc. and its group company, etc.
 - d) The act of temporarily controlling management over NISSUI and having the Company dispose costly assets currently not related to the business of the company and utilizing the gain from the disposal to pay out temporarily high dividends or taking advantage of the sudden surge in the stock price after the high dividend distribution to get ashore at a high price.
 - e) The act of pursuing an acquisition with the aim to having related parties of the Company acquire NISSUI shares at a high price by raising the stock price of the Company despite the lack of true intention to participate in corporate management.
- 3) In case the purchase, etc. exposes the threat of actually forcing sale of shares, etc. to shareholders as in a forceful two-step offer (the act of purchasing shares, e.g. tender offer where no solicitation to purchase all shares, etc. is made at the initial purchase but the conditions for the second-phase purchase are set disadvantageously to the shareholders or are not clearly announced).
- 4) In case the purchase, etc. is such that the conditions of the purchase (including price and type of proceeds of the purchase, timing of purchase, legality of purchase method, possibility of executing the purchase, management policy and business plan, post-purchase plans for shareholders, employees, customers, correspondents and other interested parties of the Company) are inadequate or inappropriate in terms of the fundamental value of the Company.
- 5) In case the purchase, etc. exposes a major threat of damaging the corporate value of the Company and the common interests of shareholders because the trustful relationships with employees, customers, correspondents and other parties essential for creating the corporate value of NISSUI have been damaged or impeded.

(11) Overview of the gratuitous allotment of subscription rights

The overview of the gratuitous allotment of subscription rights executed under the Plan is as follows.

- 1) Total number of subscription rights subject to the allotment

The total number of subscription rights allotted allotment shall be the number equivalent to the total number of issued common shares of the Company at a certain date separately defined (allotment date) based on a resolution of the board of directors concerning the gratuitous allotment of subscription rights (hereafter, “the resolution on the gratuitous allotment of subscription rights”).

2) Shareholders applicable for the allotment

Shareholders other than those recorded in the final shareholder register of the Company as of the allotment due date will be applicable for the gratuitous allotment of subscription rights at the ratio of one subscription right per common share of NISSUI held (excluding however, common shares of the Company held by the Company at the time).

3) Effective date of the gratuitous allotment of subscription rights

The date separately defined based on the resolution on the gratuitous allotment of subscription rights.

4) Number of shares in scope of the subscription rights

One common share of the Company per one subscription right (hereafter, the “subject number of shares”).

5) Price of asset invested upon the exercise of the subscription right

The price per common share of the Company invested upon the exercise of the subscription right shall be one yen.

6) Exercise period of the subscription right

The period separately defined under the resolution on the gratuitous allotment of subscription rights with the initial date set separately under the said resolution (hereafter, the first date of the respective exercise period shall be “the initial date of the exercise period”). In the event that the final date of the exercise period falls on a holiday of the payment institution to which the payment for the exercise is made, the preceding business day shall be the final date.

7) Terms and conditions for the exercise of the subscription right

As a general rule, (I) a specified large-volume holder⁹, (II) a joint holder of the specified

⁹ A “specified large-volume holder” refers to a holder of shares, etc. issued by NISSUI and whose shareholding ratio

large-volume holder, (III) a specified large-volume buyer¹⁰, (IV) a special related party of the specified large-volume buyer, (V) a party receiving transfer or succeeding the subscription right from a party corresponding to any of (I) through (V) without the approval of the board of directors of the Company or (VI) a related party¹¹ of the party corresponding to any of the aforementioned (I) through (IV) (any party corresponding to (I) through (VI) shall be referred hereafter as a “non-qualified party”) cannot exercise the subscription right. A non-resident required to follow certain procedures in exercising the subscription right under the applicable laws of a foreign country also cannot exercise the subscription right as a general rule (provided however that certain parties, e.g. a non-resident to which exceptional rules under the respective laws of the respective foreign country are applicable may exercise the rights, and the subscription right held by a non-resident is applicable as described in 9) below for a purchase by the Company the proceeds of which are the shares of the Company.) Moreover, any party failing to submit the pledge document in the form specified by the Company that includes provisions of guarantee, indemnity and pledge to support that the conditions for exercising the subscription right are satisfied, etc. cannot exercise the subscription right.

8) Restrictions on the transfer of the subscription right

Acquisition by transfer of the subscription right requires the approval of the board of directors of the Company.

9) Acquisition of the subscription right by NISSUI

related to the subject shares is 20% or more (includes any party considered as equivalent by the board of directors of the Company). However, a party is not considered as a specified large-volume holder in case the board of directors of the Company acknowledges that the purchase/holding of shares, etc. by the party does not damage the corporate value of the Company or the common interests of shareholders or in case the party is otherwise defined by the board of directors of the Company based on the resolution on the gratuitous allotment of subscription rights. The same applies hereinafter.

¹⁰ A “specified large-volume buyer” refers to a party that had made a public announcement to purchase, etc. (defined under Article 27.2, Clause 1 of the Financial Instruments & Exchange Law; the same applies hereinafter) via a tender offer, shares, etc. issued by NISSUI (defined under Article 27.2, Clause 1 of the Law; the same applies hereinafter in the footnote) and whose shareholding ratio in respect of the holding after the said purchase (including cases prescribed in Article 7, Clause 1 of the Financial Instruments & Exchange Law Enforcement Order considered as equivalent) plus the shareholding ratio of the special related party of the party amount to 20% or more (includes any party considered as equivalent by the board of directors of the Company). However, a party is not considered as a specified large-volume buyer in case the board of directors of the Company acknowledges that the purchase/holding of shares, etc. by the party does not damage the corporate value of the Company or the common interests of shareholders or in case the party is otherwise defined by the board of directors of the Company based on the resolution on the gratuitous allotment of subscription rights. The same applies hereinafter.

¹¹ A “related party” of a party refers to someone that substantially controls the party, is controlled by the party or is under joint control with the party (includes any party considered as equivalent by the board of directors of the Company), or someone considered by the board of directors of the Company that operates in collaboration with the party. “Control” herein refers to “control over the determination of financial and operational policies” of another corporation, etc. (defined in Article 3, Clause 3 of the Enforcement Regulations for the Corporation Law).

- a) NISSUI, in case of (7) a. i) and ii) above, may gratuitously acquire all of the subject subscription rights any time up to the day preceding the initial date of the exercise period on the date separately determined by the board of directors of the Company.
- b) NISSUI, upon arrival of the date separately determined by the board of directors of the Company may acquire all of the subscription rights held by parties other than non-qualified parties and those not exercised as of the business day preceding the date set by the board of directors, and in return, issue the number of shares of the Company equivalent to the number of applicable shares per subscription right. In case on the date of the purchase and thereafter the board of directors of the Company recognizes the existence of a party other than a non-qualified party holding the subscription right, upon arrival of the date set by the board of directors that falls after the date the above acquisition was made, the Company may acquire all of the subject subscription rights held by the party but not exercised up to the day preceding the date set by the board of directors of the Company, and in return, issue the number of shares of the Company equivalent to the applicable number of shares per subscription right, and the same applies thereafter.

10) Issuance of subscription certificates

No new subscription certificate in conjunction with the subscription right will be issued.

(12) Term, termination and revision of the Plan

The Plan will be implemented on condition that it is approved by the shareholders at the general shareholders' meeting. The term of the Plan will end at the close of a periodic shareholders' meeting for the final of the business terms completing within two years after the close of the general shareholders' meeting.

However, even prior to the close of the term, in the event that 1) the approval to terminate the Plan is made at a general shareholders' meeting of the Company, or 2) a resolution to terminate the Plan is reached at a board of directors meeting, the Plan will be terminated at that time.

The board of directors of the Company may, even during the term of the Plan correct or revise the Plan given the approval of the independent committee as long as the action does not disagree with the intent of the approval given at the general shareholders' meeting.

The Company, in case the Plan is terminated or revised, etc., will promptly disclose the fact of

termination or revision, etc. and (in case of revision, etc.) the contents of the revision and other matters.

(13) Affect on shareholders

1) Affect on shareholders and investors at the launch of the Plan

As the gratuitous allotment of subscription rights will not be executed at the inception of the Plan, there will be no direct, specific affect on shareholders.

2) Affect on shareholders and investors at the time of the gratuitous allotment of subscription rights

In case at a board of directors meeting a resolution on the gratuitous allotment of subscription rights is reached, the subscription rights will be gratuitously allotted to shareholders as of the allotment due date separately defined under the resolution on the gratuitous allotment of subscription rights at the rate of one subscription right per share held. If some shareholders during the exercise period fail to make the payment and proceed to take the procedures concerning the exercise of the subscription right described hereafter under 3) “Procedures required of shareholders in conjunction with the gratuitous allotment of subscription rights”, the legal right and the economic value of the related shares of the Company held by such shareholders failing to follow the respective procedures will be diminished as other shareholders proceed to exercise the subscription right. The Company, by means of the procedures prescribed under 3) “Procedures required of shareholders in conjunction with the gratuitous allotment of subscription rights” below may acquire the subscription rights from shareholders other than non-qualified parties, and in return, issue the shares of the Company. In case NISSUI takes the procedure for acquisition, the shareholders other than non-qualified parties will receive shares of the Company without having to exercise the subscription rights and paying the respective exercise price, and while the economic value per share of the shares held diminishes, as a general rule, the economic value of the total shares of the Company will not decline.

The Company may, even after the allotment due date or after the gratuitous allotment of subscription rights goes into effect, cancel the gratuitous allotment of subscription rights or gratuitously acquire the subscription rights without issuing the shares of the Company to the holders of the subscription rights, before the day preceding the initial date of the exercise period due to circumstances such as the cancellation of the purchase, etc. by the buyer, etc. In such cases, the economic value per share of the stock will not diminish

and it is possible that investors executing trades on or after the date of right allotment may incur losses caused by fluctuations in the stock price.

Given that the transfer of the subscription right requires an approval of the board of directors of the Company, please note that in case on or after the date of right allotment in respect of the gratuitous allotment of subscription rights shares are to be issued to shareholders as a result of the acquisition or the exercise of the subscription right, it is possible that until the issuance process is completed the collection of invested capital by transfer may be restricted for the portion of the value of the NISSUI shares held by shareholders that belongs to the subscription right.

3) Procedures for the gratuitous allotment of subscription rights

a) Announcement of the allotment due date

In case a resolution to execute the gratuitous allotment of the subscription right is reached by the board of directors of the Company, NISSUI will publicly announce the allotment due date concerning the subject gratuitous allotment of subscription rights.

In this case, the subscription rights will be gratuitously allotted to shareholders recorded on the final shareholder register of the Company as of the allotment due date.

The shareholders recorded on the final shareholder register of the Company as of the allotment due date shall naturally be the holders of the subscription rights on the effective date of the gratuitous allotment of subscription rights.

b) Procedure for the exercise of subscription rights by shareholders

NISSUI will, as a general rule, deliver to the shareholders recorded on the final shareholder register of the Company as of the allotment due date documents necessary for exercising the subscription rights, e.g. the bill for exercise of the subscription right (includes necessary information such as the contents and the number of the subscription rights to be exercised and the date of exercise of the subscription right as well as clauses of guarantee, indemnity and pledge supporting that the shareholder is not a non-qualified party) and other materials required for the exercise of the subscription right. Subsequent to the gratuitous allotment of subscription rights, the number of shares of the Company equivalent to the number

of applicable shares per subscription right will be issued to shareholders who within the exercise period and before the acquisition of the subscription rights by the Company goes into effect, have submitted these required documents and made payment of one yen per share of the NISSUI stock at the payment institution.

c) Procedure for the acquisition of subscription rights by NISSUI

NISSUI, in case the board of directors of the Company makes the decision to acquire the subscription rights will follow the legal procedure and acquire the subscription rights on arrival of the date separately defined by the board of directors of the Company. When issuing shares of the Company in exchange for the acquisition of subscription rights, NISSUI will promptly notify of the issuance. In this case, shareholders may be asked to separately submit documents including clauses of guarantee, indemnity and pledge supporting that the shareholders are not non-qualified parties and regarding other matters.

In addition to the above, NISSUI will disclose information or issue a notice to shareholders regarding details of method for allotment of subscription rights, exercise method and method of acquisition by the Company after the board of directors of the Company reaches a resolution regarding the gratuitous allotment of subscription rights. Please confirm the details provided.

IV. Decisions by the board of directors of the Company regarding the Plan and underlying reasons

1. The Plan complies with the basic policy

The Plan is a structure that, in the event a purchase, etc. of shares of the Company is to be executed, enables shareholders to judge whether or not to agree to the purchase, etc., secures necessary information and time for the board of directors of the Company to present an alternative proposal to shareholders and supports the Company to conduct discussions and negotiations with the buyer, etc. on behalf of the shareholders, and is in compliance with the basic policy.

2. The Plan does not damage the common interests of shareholders and is not aimed at maintaining the status of directors of the Company

NISSUI believes for the following reasons that the Plan is not something that damages the common interests of shareholders and is not aimed at maintaining the status of the directors of the Company.

(1) The Plan fully satisfies the guidelines and conditions concerning takeover defense measures

The Plan satisfies the three principles stipulated in “Guidelines for Takeover Defense for Securing and/or Enhancing Corporate Value and Shareholders’ Common Interests” announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

(2) The Plan values shareholders’ intent (resolution at the general shareholders’ meeting and Sunset Clause)

NISSUI will introduce the Plan as a proposal at the general shareholders’ meeting so that the intent of shareholders may be reflected.

As described in III. 2. (5) “Procedures for confirming shareholders’ intent” above, the board of directors of the Company may, in consideration of various factors including contents of the purchase, etc., follow procedures for confirming shareholders’ intent in executing the gratuitous allotment of subscription rights except in case the buyer, etc. initiates the purchase, etc. without complying with the procedures provided in the Plan or in case the situation clearly applies to either 2) or 3) of III. 2. (10) “Conditions for the gratuitous allotment of subscription rights” above and confirm the intent of shareholders.

Moreover, as recorded above in III. 2. (12) “Term, termination and revision of the Plan”, the Plan may be terminated even prior to the completion of the term of the Plan in case the approval to terminate the Plan is reached at a general shareholders’ meeting of the Company or in case the approval to terminate the Plan is made by the board of directors composed of members elected at a general meeting of shareholders, and in this sense, termination of the Plan reflects the intent of shareholders.

(3) Emphasis on judgment by highly independent external party and information disclosure

The Company, in implementing the Plan shall establish an independent committee to eliminate any intentional judgment of directors.

(4) Term of board member is one year

The term of the board member of the Company runs up to the close of a general shareholders’ meeting concerning the final of the business terms completing within a year after having been elected, and through the yearly election of directors, the Plan reflects the intent of shareholders.

(5) Plan is not a dead-hand or slow-hand type takeover defense measure

As described in III. 2. (12) “Term, termination and revision of the Plan” above, the Plan is designed so that it may be terminated pursuant to the resolution reached by the board of directors composed of members elected at a general shareholders’ meeting, and hence is not a dead-hand type takeover defense measure (an anti-takeover measure that cannot be prevented from being launched even after reassigning the majority of board members). In addition, as the Company does not adopt a staggered board system, the Plan also is not a slow-hand type takeover defense measure (an anti-takeover measure that requires time in preventing its launch as the reassignment of board members cannot be done all at once).

Status of Major Shareholders of the Company

(As of March 31, 2009)

Name	Capital contribution to the Company	
	No. of shares held (1,000 shares)	Ratio of shares held against the total number of issued shares (%)
The Master Trust Bank of Japan, Ltd. (trust account)	22,911	8.26
Japan Trustee Services Bank, Ltd (trust account)	18,945	6.83
Mizuho Corporate Bank, Ltd.	13,650	4.92
Japan Trustee Service Bank, Ltd (trust account 4G)	11,091	4.00
SOMPO JAPAN INSURANCE INC.	10,279	3.70
Mochida Pharmaceutical Co., Ltd.	8,000	2.88
NikkoCiti Trust and Banking Corporation (investment trust account)	5,063	1.82
Credit Suisse Securities (Europe) Limited BP Sec. Int. Non-Treaty Client (Standing proxy: Citibank Ltd.)	4,722	1.70
Kikkoman Corporation	4,430	1.59
CHUO GYORUI, Co., Ltd.	4,140	1.49
Total	103,233	37.24

Notes

1. According to the large shareholding report (amended report) issued by Mizuho Corporate Bank, Ltd. and dated August 25, 2008, five companies including the Bank jointly held 25,109 thousand shares (9.06%) as of August 18, 2008. However, as a portion of the number of shares held as of March 31, 2009 cannot be confirmed, the account is not included in the list of major shareholders above.

2. According to the large shareholding report (amended report) issued by Marathon Asset Management LLP and dated October 6, 2008, the following shares were held as of September 30, 2008. However, as the number of shares held as of March 31, 2009 cannot be confirmed, the account is not included in the list of major shareholders above. The information recorded in the subject large shareholding report (amended report) is as indicated below:

Name	Address	No. of shares held (1,000 shares)	Ratio of shares held against the total number of issued shares (%)
Marathon Asset Management LLP	Orion House 5 Upper St. Martin's Lane, London WC2H 9EA	23,193	8.37

3. According to the large shareholding report (amendment report) issued by Capital Guardian Trust Company and dated April 7, 2008, four companies including the Company held 18,487 thousand shares (6.67%) as of March 31, 2008. However, as the number of shares held as of March 31, 2009 cannot be confirmed, the account is not included in the list of major shareholders above.

4. According to the large shareholding report (amended report) issued by JP Morgan Asset Management (Japan) Limited and dated April 7, 2009, three companies including the Company held 16,544 thousand shares (5.97%) as of March 31, 2009. However, as the number of shares held as of March 31, 2009 cannot be confirmed, the account is not included in the list of major shareholders above.

5. According to the large shareholding report (amended report) issued by Mitsubishi UFJ Financial Group, Inc. and dated March 30, 2009, four companies including the Group held 15,114 thousand shares (5.45%) as of March 23, 2009. However, as the number of shares held as of March 31, 2009 cannot be confirmed, the account is not included in the list of major shareholders above.

General Description of the Regulations of the Independent Committee

- The Independent Committee shall be established by a resolution of the Board of Directors of the Company.
- The Independent Committee shall be comprised of three (3) or more members and the members shall be elected by the Board of Directors of the Company from among people who fall under the category of (i) outside director of the Company, (ii) outside statutory auditor of the Company or (iii) outside intellectual who is independent of the management performing the operations of the Company; provided, however, that the outside intellectual must be a company manager with a proven track record, former employee of a government authority, person who is familiar with the investment banking business or the business of the Company, attorney, certified public accountant, researcher who mainly studies the Companies Act or other subjects or any person similar to them and must have entered into an agreement with the Company that is separately designated by the Board of Directors of the Company and that contains clauses concerning the duty of care as a good manager and other clauses.
- The term of office of a member of the Independent Committee shall expire at the close of the Ordinary General Meeting of Shareholders which relates to the last business year ending within two (2) years after the close of the Ordinary General Meeting of Shareholders; provided, however, that this shall not apply if otherwise determined by a resolution of the Board of Directors of the Company. Further, if a member of the Independent Committee who is an outside director of the Company or an outside statutory auditor of the Company ceases to be an outside director or an outside statutory auditor, (unless such member is reelected) the term of office as a member of the Independent Committee shall terminate at the same time.
- If the Board of Directors of the Company seeks advice from the Independent Committee by, the Independent Committee shall resolve the matters described in each of the following Items below in accordance with the issue about which advice is sought and advise the Board of Directors of the Company of the details of the resolution together with the reason therefor. The Board of Directors of the Company shall respect the advice of the Independent Committee to the maximum extent and make a resolution as an organization under the Companies Act concerning the implementation or non-implementation of free allocation of new share subscription rights, taking of procedures to confirm the intent of shareholders or other matters. Each member of the

Independent Committee shall be required to make such decisions from the standpoint of whether the decisions contribute to the corporate value of the Company and thus the common interest of the shareholders and shall not make decisions to solely promote its own interest or the personal interests of the management members of the Company.

- (i) Free allocation of new share subscription rights or taking of procedures to confirm the intent of shareholders concerning the free allocation of new share subscription rights;
 - (ii) Free acquisition of new share subscription rights;
 - (iii) Other matters which should be determined by the Board of Directors of the Company and about which the Board of Directors of the Company seeks advice from the Independent Committee.
- In addition to the foregoing, the Independent Committee shall handle the matters described in each of the following Items:
 - (i) Determining information which the purchasers, etc. and the Board of Directors of the Company should provide to the Independent Committee and the deadline for replying to it;
 - (ii) Conducting close investigation and examination of the details of the Purchase, etc. by the purchasers, etc.;
 - (iii) Having consultations and negotiations with the purchasers, etc.;
 - (iv) Asking the Board of Directors of the Company to submit alternative plans and other information, materials and other items deemed necessary and examining thereof;
 - (v) Determining extensions of the period for examination by the Board of Directors;
 - (vi) Approving amendments or changes to the Plan;
 - (vii) Handling other matters that the Independent Committee is allowed to handle in the Plan;
 - (viii) Handling matters that the Independent Committee is allowed to carry out as separately determined by the Board of Directors of the Company;
 - (ix) Disclosing information through the Board of Directors of the Company with respect to Items (i) through (viii) above.
 - If the Independent Committee considers the Purchase Description or other information submitted by the purchasers, etc. to the Board of Directors of the Company to be inadequate as necessary information, the Independent Committee shall request the purchasers, etc. to additionally submit necessary information. Further, the Independent Committee may also request the Board of Directors of the Company to present within a prescribed period its opinion about the details of the Purchase, etc. by the purchasers, etc. and materials supporting such opinion, alternative plans (if any) or other information,

materials and other items which the Independent Committee deems necessary from time to time.

- If it is necessary to improve the details of the Purchase, etc. by the purchasers, etc. from the perspective of ensuring and improving the corporate value of the Company and thus the common interest of the shareholders, the Independent Committee shall consult and negotiate with the purchasers, etc. through the Board of Directors of the Company.
- The Independent Committee may, in order to collect necessary information, request the directors, statutory auditors or employees of the Company or any other person who is deemed necessary by the Independent Committee to attend the Independent Committee and explain the matters asked by the Independent Committee.
- The Independent Committee may receive advice from an independent third party (including financial advisors, certified public accountants, lawyers, consultants and other experts) or other services at the cost of the Company.
- Each member of the Independent Committee may convene the Independent Committee in the event of the Purchase, etc. and at any other time.
- In principle, the resolution of the Independent Committee shall be adopted by a majority of the members of Independent Committee present whereby all of the members shall constitute a quorum; provided, however, that if a member is unable to vote or upon occurrence of any other unavoidable event, the resolution of the Independent Committee may be adopted by a majority of the voting rights represented by the members of Independent Committee present whereby a majority of the members shall constitute a quorum.

Personal History of Independent Committee Members

The independent committee will be composed of the following three members at the introduction of the Plan.

Mr. Yoshio Ohsawa

Brief personal history

Born on February 23, 1941	
April 1964	Joined The Industrial Bank of Japan, Limited
June 1995	Managing Director
June 1997	Deputy President of The IBJ Securities Co., Ltd.
June 2002	President of Mizuho Securities Co., Ltd.
March 2005	Resigned as President of Mizuho Securities Co., Ltd.
June 2005	Adviser of Mizuho Securities Co., Ltd.
June 2005	The company's External Auditor (now)
June 2009	The company's External Director (planned)

Mr. Takaaki Wakasugi

Brief personal history

Born on March 11, 1943	
June 1985	Professor of Faculty of Economics in the University of Tokyo
September 1990	Director of Mitsui Life Financial Research Center, University of Michigan (now)
April 2003	Chairman and CEO of Japan Corporate Governance Research Institute, Inc. (now)
April 2004	Professor of Faculty of Business Administration in the Tokyo Keizai University (now)
June 2004	Emeritus Professor of the University of Tokyo (now)
June 2009	The company's External Director (planned)

Mr. Yoshinori Hosoya

Brief personal history

Born on April 9, 1945

April 1971

Registered as an attorney at law

April 1971

Ishii Law Office (Tokyo)

September 1975

Graham & James (San Francisco)

September 1976

Konaka Toyama & Hosoya (Tokyo)

January 2002

Partner of Jones Day Showa (in association with Jones Day,
Tokyo)

January 2004

Representative attorney and Partner of Keiwa Sogo Law Offices
(now)

June 2006

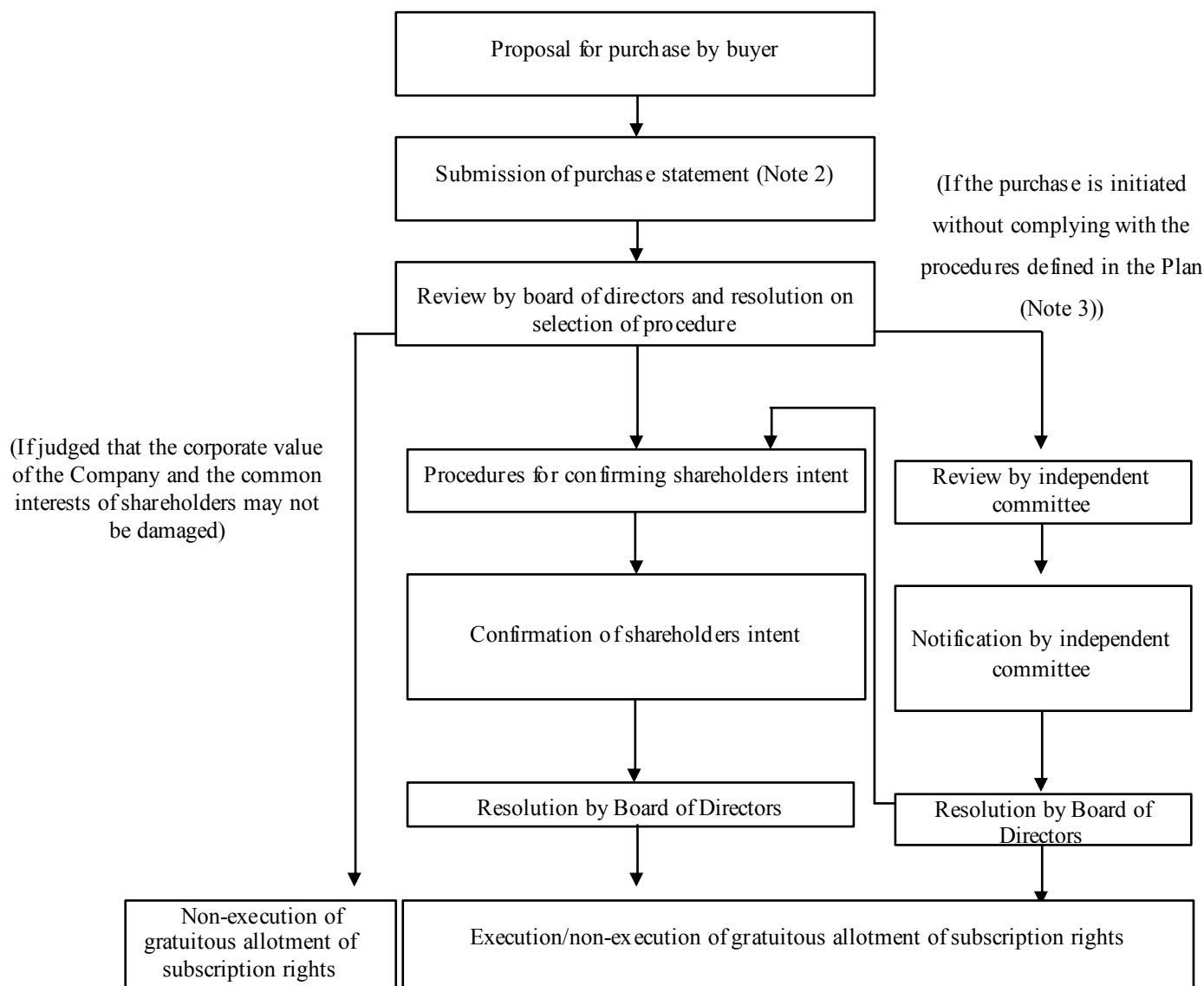
The company's Substitute Auditor (now)

June 2009

The company's External Auditor (planned)

Attachment

Flowchart (Note 1)



(Note 1) This flowchart illustrates the overview of the Plan. Refer to the main text for the details thereof.

(Note 2) If the purchase is initiated without complying with the procedures prescribed in the Plan (e.g. the buyer initiates the purchase without submitting the purchase statement) unless there is a special reason that presents the need to continue discussions/negotiations with the buyer in claiming submission of the purchase statement, as a general rule, the independent committee will be consulted regarding the execution of the gratuitous allotment of subscription rights without setting the

period of board review but by setting a respective deadline.

(Note 3) If the purchase is initiated without complying with the procedures set forth in the Plan, this means there was judgment that the case clearly corresponds to either section 2. or 3. of 2. (10) “Conditions for the gratuitous allotment of subscription rights” in the main text.