

THE NEW VALUE FRONTIER



**Notice of the 55th Ordinary General Meeting of Shareholders
to be held in Kyoto, Japan on June 25, 2009**

Kyocera Corporation

6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan

Notice:

1. This is an English translation of the Japanese original of the Notice of the 55th Ordinary General Meeting of Shareholders distributed to shareholders in Japan. The translation is prepared solely for the reference and convenience of foreign shareholders. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.
2. The Notice of Resolution for the 55th Ordinary General Meeting of Shareholders will be available at the following website of Kyocera Corporation within 5 days after the Meeting.

http://global.kyocera.com/ir/s_info.html

June 5, 2009

To Our Shareholders:

Notice of the 55th Ordinary General Meeting of Shareholders

This is to inform you that Kyocera Corporation (the “Company”) will hold its 55th Ordinary General Meeting of Shareholders, as described below, which you are cordially invited to attend.

If you are unable to attend the Meeting, please exercise your voting rights in written form or electronically, after examining the attached reference documents for the General Meeting of Shareholders, no later than 5:30 p.m. Wednesday, June 24, 2009, Japan time.

[Method of exercising voting rights in written form (voting card)]

Please mark “for” or ” against” as to the agenda on the voting card enclosed herewith and return it by the above deadline for exercising voting rights.

[Method of exercising voting rights electronically (through the Internet, etc.)]

Please access the Internet website for exercise of voting rights (<http://daiko-sb.gcan.jp>) through a personal computer or mobile phone. Using the code and password written on the voting card enclosed herewith and following the guidelines set forth on the website, please mark “for” or “against” as to the agenda by the above deadline for exercising voting rights.

1. Time and Date: 10:00 a.m. on Thursday, June 25, 2009, Japan time

2. Place: 20th Floor Event Hall at the head office of the Company,
6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan

3. Purpose of the Meeting:

Matters to be reported:

- (1) Reporting of the substance of the business report, the consolidated financial statements and the result of audit of consolidated financial statements by the Accounting Auditor and the Board of Corporate Auditors for the year ended March 31, 2009; and
- (2) Reporting of the substance of the financial statements for the year ended March 31, 2009.

Matters to be resolved:

- Agendum No. 1: Disposition of Surplus
- Agendum No. 2: Partial Amendments to the Articles of Incorporation
- Agendum No. 3: Election of twelve (12) Directors
- Agendum No. 4: Election of two (2) Corporate Auditors
- Agendum No. 5: Bonuses to Directors
- Agendum No. 6: Revision of Amount of Remuneration of Directors and Corporate Auditors in line with Reform of the Remuneration System for Directors and Corporate Auditors
- Agendum No. 7: Payment of Retirement Allowances to Retiring Directors and Payment of Settlement Funds to Directors and Corporate Auditor as a Result of Abolishment of the Retirement Allowance System

4. Matters relating to the Convocation:

[Treatment in case of multiple exercises of voting rights by a shareholder]

- (1) In the event that any shareholder exercises voting rights in written form (voting card) as well as electronically (through the Internet, etc.), the electronic exercise of voting rights shall supersede and be treated as the effective exercise of the voting rights.
- (2) In the event of multiple electronic exercises of voting rights (through the Internet, etc.) by a shareholder, the last electronic exercise of voting rights shall supersede and be treated as the effective exercise of the voting rights.

Very truly yours,

KYOCERA CORPORATION
Tetsuo Kuba
President and Representative Director

Notes:

- 1. If you attend the Meeting, please submit the enclosed form for exercising voting rights to the receptionist.
- 2. In the event that any change is necessary in the reference documents for the General Meeting of Shareholders, the business report, the consolidated financial statements or the financial statements, the Company shall give notice thereof to shareholders by posting it on the Company's website (<http://global.kyocera.com/ir/index.html>), which can be accessed through the Internet.
- 3. Taking into consideration the recent economic situation, etc., a buffet-style gathering after the General Meeting of Shareholders that was held until last year will not take place. Your understanding is appreciated.

Reference Documents for General Meeting of Shareholders

Agenda and References are as follows:

Agendum No. 1: Disposition of Surplus

The Company believes that the best way to meet shareholders' expectations is to improve the consolidated performance of the Company on an ongoing basis.

The Company has adopted the principle that dividend amounts should be within a range of net income of the Company on a consolidated basis, and has set its consolidated dividend policy to maintain a consolidated dividend ratio at a level of approximately 20% to 25% of consolidated net income. In addition, the Company determines dividend amounts based on an overall assessment, taking into account various factors including the amount of capital expenditures necessary for the medium to long-term growth of the Company.

Pursuant to this policy and based on full year performance through the year ended March 31, 2009 (hereinafter referred to as "this fiscal year"), the Company proposes a year-end dividend for this fiscal year in the amount of 60 yen per share, the same amount as in the year ended March 31, 2008 (hereinafter referred to as the "previous fiscal year"). When aggregated with the interim dividend in the amount of 60 yen per share, the total annual dividend will be 120 yen per share, the same amount as in the previous fiscal year.

The Company also proposes to effectuate a reverse of its reserve for research and development, reserve for dividends, reserve for retirement benefits, reserve for overseas investments, and general reserve, taking into account the Company's financial status, performance through this fiscal year, and business conditions going forward.

The proposed disposition of surplus is as follows:

1. Matters relating to Year-end Dividend
 - (1) Type of assets distributed as dividend:
Cash
 - (2) Matters relating to allocation to shareholders of assets distributed as dividend and aggregate amount thereof:
60 yen per share of Common Stock of the Company.
The aggregate amount thereof shall be 11,011,682,040 yen.
 - (3) Effective Date of distribution of surplus as dividend:
June 26, 2009
2. Matters relating to disposition of Other Retained Earnings
 - (1) Item to be increased and amount thereof:
Profit surplus carried over: 8,000,000,000 yen.
 - (2) Items to be reduced and amounts thereof:
Reserve for research and development: 1,000,000,000 yen.
Reserve for dividends: 1,000,000,000 yen.
Reserve for retirement benefits: 300,000,000 yen.
Reserve for overseas investments: 1,000,000,000 yen.
General reserve: 4,700,000,000 yen.

Agendum No. 2: Partial Amendments to the Articles of Incorporation

1. Reason for Amendments

The Law for Partial Amendments to the Law concerning Book-entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement for Trades of Stocks and Other Securities (Law No. 88, 2004) (hereinafter referred to as the “Settlement Streaming Law”) has become effective as from January 5, 2009, and the share transfer system for all shares of listed companies in Japan has been converted to a book-entry share transfer system (a so called “paperless share system”).

The Company is amending its Articles of Incorporation, concomitantly with such change in the system, as follows:

- (1) The amendments include deletion of provisions relating to share certificates, beneficial owners of shares and the register of beneficial owners, because these are no longer necessary under the paperless share system. In this connection, it should be noted, however, that Article 7 (Issuance of Share Certificates) has been deemed already abandoned on the effective date of the Settlement Streaming Law pursuant to Paragraph 1 of Article 6 of the Supplemental Provisions to the Settlement Streaming Law.
- (2) A Register of Lost Share Certificates is required to be prepared and maintained by the Company for a period of one year commencing immediately following the effective date of the Settlement Streaming Law, and necessary provisions are to be newly created in the supplemental provisions to the Articles of Incorporation in this connection.
- (3) In addition to the above, certain necessary amendments are to be made to adjust paragraph numbering and to alter wording.

2. Substance of Amendments

The contemplated amendments are as follows:

(The underlined portion indicates the proposed amendments.)

Present Article	Proposed Amendment
<p>Article 3. Location of Principal Office</p> <p>The principal office of the Company shall be located in Kyoto City.</p> <p><u>Article 7. Issuance of Share Certificates</u></p> <p><u>The Company shall issue share certificates representing its shares.</u></p>	<p>Article 3. Location of Principal Office</p> <p>(Not amended in English translation)</p> <p><Deleted></p>

Present Article	Proposed Amendment
<p>Article 8. Acquisition of its Own Shares by the Company</p> <p>(Omitted)</p> <p>Article 9. Number of Shares Constituting a Share Unit <u>and Non-Issuance of the Share Certificates for Shares not Constituting a Full Share Unit</u></p> <p>1. The number of shares constituting a single share unit of the Company shall be 100.</p> <p>2. <u>Regardless of the provision of Article 7, the Company shall not issue any share certificates representing the shares not constituting a full share unit, except for the cases provided for in the Share Handling Regulations of the Company.</u></p> <p>Article 10. Rights Relating to Shares not Constituting a Full Share Unit</p> <p>Shareholders (<u>which shall hereinafter include beneficial owners</u>) of the Company cannot exercise their rights relating to shares not constituting a full share unit that they own except for the following:</p> <ol style="list-style-type: none"> (1) The right provided for in the provisions of Article 189, Paragraph 2, of the Corporation Act; (2) The right to make a request provided for in the provisions of Article 166, Paragraph 1 of the Corporation Act; (3) The right to receive allocation of offered shares and offered stock acquisition rights pursuant to the number of shares that the shareholders own; and (4) The right to make a request provided for in the immediately following Article. <p>Article 11. Request to Sell Shares by Shareholders Holding Shares not Constituting a Full Share Unit</p> <p>(Omitted)</p>	<p>Article 7. Acquisition of its Own Shares by the Company</p> <p>(Not amended)</p> <p>Article 8. Number of Shares Constituting a Share Unit</p> <p>The number of shares constituting a single share unit of the Company shall be 100.</p> <p><Deleted></p> <p>Article 9. Rights Relating to Shares not Constituting a Full Share Unit</p> <p>Shareholders of the Company cannot exercise their rights relating to shares not constituting a full share unit that they own except for the following:</p> <ol style="list-style-type: none"> (1) (2) (3) (Not amended) (4) <p>Article 10. Request to Sell Shares by Shareholders Holding Shares not Constituting a Full Share Unit</p> <p>(Not amended)</p>

Present Article	Proposed Amendment
<p>Article 12. Manager of Shareholders Register</p> <p>1. The Company shall have a Manager of the Shareholders Register.</p> <p>2. The Manager of the Shareholders Register and its management office shall be determined by a resolution of the Board of Directors and public notice thereof shall be given.</p> <p>3. The preparation and keeping of the Shareholders Register <u>(which shall hereinafter include the register of beneficial owners)</u>, the Register of Stock Acquisition Rights <u>and the Register of Lost Share Certificates of the Company</u> and other matters relating to the share handling of the Shareholders Register, the Register of Stock Acquisition Rights <u>and the Register of Lost Share Certificates</u> shall be entrusted to the Manager of the Shareholders Register, and the Company shall not handle them.</p> <p>Article 13 } ∫ } (Omitted) Article 40 }</p> <p><Newly added></p> <p><Newly added></p> <p><Newly added></p>	<p>Article 11. Manager of Shareholders Register</p> <p>1. The Company shall have a Manager of the Shareholders Register.</p> <p>2. The Manager of the Shareholders Register and its management office shall be determined by a resolution of the Board of Directors and public notice thereof shall be given.</p> <p>3. The preparation and keeping of the Shareholders Register <u>and</u> the Register of Stock Acquisition Rights and other matters relating to the share handling of the Shareholders Register <u>and</u> the Register of Stock Acquisition Rights shall be entrusted to the Manager of the Shareholders Register, and the Company shall not handle them.</p> <p>Article 12 } ∫ } (Not amended) Article 39 }</p> <p><u>SUPPLEMENTARY PROVISIONS</u></p> <p><u>Article 1</u></p> <p><u>The preparation and keeping of the Register of Lost Share Certificates of the Company and other matters relating to the Register of Lost Share Certificates shall be entrusted to the Manager of the Shareholders Register, and the Company shall not handle them.</u></p> <p><u>Article 2</u></p> <p><u>The immediately preceding Article and this Article shall be effective until January 5, 2010, and shall be deleted as of January 6, 2010.</u></p>

Agendum No. 3: Election of twelve (12) Directors

The terms of office of all twelve (12) Directors will expire at the close of this General Meeting of Shareholders. Accordingly, the Company proposes that twelve (12) Directors be elected.

The candidates for Director are as follows:

No.	Name (date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
1	Makoto Kawamura (Aug. 13, 1949)	Mar. 1973 Joined the Company Jun. 2001 Director of the Company Jun. 2003 Retired from the office of Director of the Company Managing Executive Officer of the Company Jun. 2005 President and Representative Director and COO (Chief Operating Officer) of the Company Apr. 2006 President and Representative Director, President and Executive Officer of the Company May 2008 Representative Trustee of Japan Photovoltaic Energy Association [Present] Apr. 2009 Chairman of the Board and Representative Director of the Company [Present]	3,000
2	Yuzo Yamamura (Dec. 4, 1941)	Mar. 1965 Joined the Company Jun. 1987 Director of the Company Dec. 1992 President and Representative Director of Kyocera ELCO Corporation Jun. 1993 Retired from the office of Director of the Company Jun. 1995 Senior Managing Director and Representative Director of the Company Jun. 1999 Retired from the office of Director of the Company Jun. 2003 Director of the Company Apr. 2006 Vice Chairman of the Board and Representative Director of the Company [Present] Aug. 2006 General Manager of Corporate Communication Equipment Group [Present] Apr. 2009 Advisor and Director of Kyocera ELCO Corporation [Present]	82,000

No.	Name (date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
3	Tetsuo Kuba (Feb. 2, 1954)	<p>Jun. 1982 Joined the Company</p> <p>Jun. 2003 Executive Officer of the Company</p> <p>Jun. 2005 Managing Executive Officer of the Company General Manager of Corporate Fine Ceramics Group and Corporate Semiconductor Components Group of the Company</p> <p>Apr. 2007 Senior Managing Executive Officer of the Company</p> <p>Jun. 2008 Director and Senior Managing Executive Officer of the Company</p> <p>Apr. 2009 President and Representative Director, President and Executive Officer of the Company [Present]</p>	2,000
4	Tatsumi Maeda (Jan. 1, 1953)	<p>Mar. 1975 Joined the Company</p> <p>Jun. 2001 Director of the Company</p> <p>Jun. 2003 Retired from the office of Director of the Company Managing Executive Officer of the Company General Manager of Corporate Business Strategy Division of the Company</p> <p>Jun. 2005 Deputy General Manager of Corporate Solar Energy Group of the Company</p> <p>Apr. 2007 Senior Managing Executive Officer of the Company General Manager of Corporate Solar Energy Group of the Company</p> <p>Jun. 2008 Director and Senior Managing Executive Officer of the Company</p> <p>Jan. 2009 General Manager of Corporate Solar Energy Group and Corporate Electronic Components Group of the Company [Present]</p> <p>Apr. 2009 Vice President and Representative Director, Vice President and Executive Officer of the Company [Present]</p>	1,140

No.	Name (date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
5	Hisao Hisaki (Jul. 2, 1946)	Mar. 1969 Joined the Company Jun. 1991 Director of the Company [Present] Jun. 2003 Managing Executive Officer of the Company Jul. 2003 Vice President of Kyocera (Tianjin) Sales & Trading Corporation Apr. 2005 President of Kyocera (Tianjin) Sales & Trading Corporation May 2005 Retired from the office of Executive Officer of the Company Mar. 2007 Chairman of the Board and President of Kyocera (Tianjin) Sales & Trading Corporation [Present] Apr. 2009 Senior Managing Executive Officer of the Company [Present]	5,171
6	Rodney N. Lanthorne (Feb. 5, 1945)	Sep. 1979 Joined Kyocera International, Inc. Jan. 1987 President and Director of the above company [Present] Jun. 1989 Director of the Company Mar. 1990 Managing Director of the Company Jun. 1999 Senior Managing Director and Representative Director of the Company Jun. 2003 Director of the Company [Present]	(3,628 ADR)
7	John S. Gilbertson (Dec. 4, 1943)	Jan. 1981 Joined AVX Corporation May 1994 Chief Operating Officer of the above company Jun. 1995 Director of the Company Jun. 1997 Director and President and Chief Operating Officer of AVX Corporation Jun. 1999 Managing Director of the Company Jul. 2001 President and Director and Chief Executive Officer of AVX Corporation [Present] Jun. 2003 Director of the Company [Present]	(18,867 ADR)

No.	Name (date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
8	Yasuyuki Yamamoto (Apr. 2, 1951)	May 1976 Joined the Company Aug. 2002 General Manager of Corporate Mobile Communication Equipment Division of the Company Jun. 2003 Executive Officer of the Company Jun. 2005 General Manager of Corporate Mobile Communication Equipment Group of the Company Aug. 2006 General Manager of Corporate Mobile Communication Equipment Division of Corporate Communication Equipment Group of the Company Apr. 2007 General Manager of Corporate Mobile Communication Equipment Division and Corporate Communication Systems Equipment Division of Corporate Communication Equipment Group of the Company Apr. 2008 Senior Executive Officer of the Company Deputy General Manager of Corporate Communication Equipment Group of the Company [Present] Apr. 2009 Managing Executive Officer of the Company [Present]	259
9	Yoshihiro Kano (Apr. 5, 1953)	Aug. 1980 Joined Kyocera International, Inc. Jun. 1991 Transferred to the Company Oct. 2001 General Manager of Corporate Support Division 2 of Corporate Development Group of the Company Jun. 2005 Executive Officer of the Company Deputy General Manager of Corporate Development Group of the Company Apr. 2006 General Manager of Corporate Development Group of the Company [Present] Apr. 2009 Managing Executive Officer of the Company [Present]	199

No.	Name (date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
10	Goro Yamaguchi (Jan. 21, 1956)	Mar. 1978 Joined the Company Aug. 2002 Deputy General Manager of Corporate Semiconductor Components Sales Division of the Company Jun. 2003 Executive Officer of the Company Jul. 2004 General Manager of Corporate Semiconductor Components Sales Division of the Company Jun. 2005 Senior Executive Officer of the Company Deputy General Manager of Corporate Semiconductor Components Group of the Company Apr. 2009 Managing Executive Officer of the Company [Present] General Manager of Corporate Semiconductor Components Group of the Company [Present]	7,178
11	Shoichi Aoki (Sep. 19, 1959)	Mar. 1983 Joined the Company Sep. 2003 General Manager of Accounting Division of Corporate Business Systems Administration Division of the Company Jun. 2005 Executive Officer of the Company General Manager of Corporate Accounting Group of the Company May 2008 General Manager of Corporate Financial and Accounting Group of the Company [Present] Apr. 2009 Managing Executive Officer of the Company [Present]	1,085
12	Katsumi Komaguchi (Mar. 5, 1951)	Mar. 1986 Joined the Company Nov. 1998 General Manager of Printer Division of the Company Jun. 2001 Director (in charge of technology) of Kyocera Mita Corporation Jun. 2002 Managing Director of Kyocera Mita Corporation Jun. 2004 Director of Kyocera Mita Corporation Jul. 2004 Director and Senior Managing Executive Officer of Kyocera Mita Corporation Apr. 2006 Vice President and Representative Director, Vice President and Executive Officer of Kyocera Mita Corporation Apr. 2007 President and Representative Director, President and Executive Officer of Kyocera Mita Corporation [Present] Apr. 2008 Executive Officer of the Company Apr. 2009 Managing Executive Officer of the Company [Present]	1,923

Notes:

1. Mr. Makoto Kawamura is the Chairman of the Board of Dongguan Shilong Kyocera Optics Co., Ltd., with which the Company engages in transactions relating to sale and purchase of cutting tools and thin film devices, etc.
2. Mr. Tatsumi Maeda is the Chairman of the Board of Kyocera (Tianjin) Solar Energy Co., Ltd., with which the Company engages in transactions relating to sale and purchase of solar energy related products, etc.
3. Mr. Hisao Hisaki is the Chairman of the Board and President of Kyocera (Tianjin) Sales & Trading Corporation, with which the Company engages in transactions relating to sale of cutting tools and electronic devices, etc.
4. Mr. John S. Gilbertson is the President and Director and Chief Executive Officer of AVX Corporation, with which the Company engages in transactions relating to sale and purchase of electronic devices, etc.
5. There are no special interests between the candidates and the Company other than those set forth above.
6. The number of shares of the Company owned by the candidates set forth above includes their ownership in the Stock Purchase Plan for Kyocera Group Executives.
7. Candidates who beneficially own Common Stock of the Company by way of American Depositary Receipts (ADRs) are as follows:

Mr. Rodney N. Lanthorne: 3,628 shares of Common Stock of the Company (3,628 ADRs)

Mr. John S. Gilbertson: 18,867 shares of Common Stock of the Company (18,867 ADRs)

Agendum No. 4: Election of two (2) Corporate Auditors

The term of office of two (2) Corporate Auditors, Messrs. Yoshihiko Nishikawa and Shigekazu Tamura will expire at the close of this Meeting. Accordingly, the Company proposes that two (2) Corporate Auditors be elected.

With respect to this Agendum, consent from the Board of Corporate Auditors has been obtained.

The candidates for Corporate Auditor are as follows:

No.	Name (Date of birth)	Brief Personal History, Title, Status and Representation of other Companies	Shares of the Company Owned by Candidate
1	Yoshihiko Nishikawa (Sep. 11, 1945)	<p>Mar. 1970 Joined the Company</p> <p>Jun. 1995 Director of the Company</p> <p>Jun. 2003 Retired from the office of Director of the Company Senior Executive Officer of the Company General Manager of Corporate Legal and Intellectual Property Division of the Company</p> <p>Jul. 2004 General Manager of Corporate R&D Division for Components and Devices of the Company</p> <p>Jun. 2005 Full-time Corporate Auditor of the Company [Present]</p>	2,222
2	Yoshinari Hara (Apr. 3, 1943)	<p>Apr. 1967 Joined Daiwa Securities Co., Ltd. (“Daiwa Securities”)</p> <p>Jun. 1991 Director of Daiwa Securities</p> <p>Sep. 1995 Managing Director of Daiwa Securities</p> <p>Oct. 1997 President and Representative Director of Daiwa Securities</p> <p>Apr. 1999 President and Representative Director and CEO of Daiwa Securities Group Inc. President and Representative Director of Daiwa Securities</p> <p>Jun. 2004 Chairman of the Board and Director of Daiwa Securities Group Inc.</p> <p>Jun. 2008 Chief Corporate Adviser of Daiwa Securities Group Inc. [Present]</p>	0

Notes:

1. There are no special interests between the candidates and the Company.
2. The number of shares of the Company owned by the candidate set forth above includes his ownership in the Stock Purchase Plan for Kyocera Group Executives.
3. Matters with respect to outside Corporate Auditors are as follows:
 - (1) Mr. Yoshinari Hara is a candidate for outside Corporate Auditor.

- (2) Reason for nomination of Mr. Yoshinari Hara as a candidate for outside Corporate Auditor:
The reason for nomination of Mr. Yoshinari Hara as a candidate for outside Corporate Auditor is that he is capable of conducting a general audit of corporate activities as a whole as an outside Corporate Auditor based on his abundant experience and knowledge of the management of a securities firm.
- (3) Mr. Yoshinari Hara currently holds the office of an outside Director of NEC Corporation. NEC Corporation is required as an issuer of ADRs to file annual reports with the U.S. Securities and Exchange Commission (hereinafter referred to as the “SEC”) pursuant to the Securities and Exchange Act of 1934. However, it has been unable to file with the SEC its annual reports for the fiscal years ended March 31, 2006 and thereafter because it has not been able to complete further analysis to support its revenue recognition required in the course of the audit of its consolidated financial statements for the fiscal year ended March, 31 2006. Because of this, the ADRs of NEC Corporation were delisted by NASDAQ in October 2007. Mr. Yoshinari Hara has regularly expressed his opinions at meetings of the Board of Directors of NEC Corporation regarding ensuring proper financial reporting, strengthening NEC Corporation’s compliance system including disclosure and its risk management system, etc.; and upon receipt of reports of the abovementioned events, deliberated future preventive measures and disclosure policies, etc., and made varied proposals and remarks to strengthen further the internal control system of NEC Corporation.
- (4) The Company will enter into an agreement with Mr. Yoshinari Hara regarding limitation of his liability for damages due to negligence in the performance of his duties, in accordance with paragraph 1 of Article 427 of the Corporation Act and Article 36 (Article 35, if Agendum No. 2 is approved as proposed) of the Articles of Incorporation of the Company. The maximum amount of damages to be pursued against him, as set under such agreement, will be limited to the smallest amount permissible under applicable laws and regulations.

Agendum No. 5: Bonuses to Directors

The Company proposes to pay bonuses to the twelve (12) Directors in office as of March 31, 2009 in an aggregate amount of 23.7 million yen taking into consideration the performance of the Company during this fiscal year.

Agendum No. 6: Revision of Amount of Remuneration of Directors and Corporate Auditors in line with Reform of the Remuneration System for Directors and Corporate Auditors

It was resolved at the 51st Ordinary General Meeting of Shareholders of the Company, held on June 28, 2005, that the aggregate remuneration payable to the Directors shall amount to not more than 30 million yen per month. It was also resolved at the 37th Ordinary General Meeting of Shareholders of the Company held on June 27, 1991, that the aggregate remuneration payable to the Corporate Auditors shall amount to not more than 8 million yen per month.

The Company proposes that the remuneration system for Directors and Corporate Auditors be reformed; so that from among the three categories of remuneration to Directors and Corporate Auditors, namely, monthly remuneration, bonuses and retirement allowances, retirement allowances be abolished; and that thereafter, remuneration to Directors shall consist of “basic remuneration” and “bonuses to Directors” only. In line with such reform the aggregate remuneration payable to Directors and Corporate Auditors shall be revised as set forth below.

Currently, the number of Directors in office is twelve (12) and the number of Corporate Auditors in office is five (5), and if Agenda 3 and 4 relating to the election of Directors and Corporate Auditors, respectively, are approved as originally proposed by the Company, there will be no change in such numbers.

1. Directors

(1) Basic remuneration

Basic remuneration constitutes of remuneration to be paid in compensation for the exercise of responsibility by each Director, and the aggregate remuneration payable to all Directors shall be no more than 400 million yen per year, taking into consideration the currently existing maximum imposed upon the aggregate amount of retirement allowances payable to Directors. As has been the Company’s past practice, such amount does not include the amount of any salaries for service as employees to be paid to Directors who are also

serving as employees of the Company.

(2) Bonuses to Directors

Traditionally, bonuses to Directors have constituted remuneration linked with the performance of the Company for each fiscal year. However, to clarify the criteria therefor, in line with the reform of the remuneration system for Directors and Corporate Auditors, it is proposed that the aggregate amount payable to all Directors shall not exceed 0.2% of the consolidated net income of the Company for the relevant fiscal year, provided that such amount shall in no case exceed 300 million yen annually, and such aggregate amount shall be distributed among the Directors in accordance with their respective levels of contribution to the performance of the Company.

2. Corporate Auditors

In order to maintain the impartiality of audit, payment of bonuses to Corporate Auditors shall cease and only basic remuneration, which is not linked with the performance of the Company, shall be paid. The aggregate amount payable to all Corporate Auditors shall be no more than 100 million yen annually.

Agendum No. 7: Payment of Retirement Allowances to Retiring Director and Payment of Settlement Funds to Directors and Corporate Auditor as a Result of Abolishment of the Retirement Allowance System

The Company proposes to pay retirement allowances in amounts which are reasonable and in accordance with the standards prescribed by the Company to Messrs. Kensuke Itoh, Noboru Nakamura, Naoyuki Morita, Michihisa Yamamoto and Isao Kishimoto, who will resign from the office of Director at the close of this Meeting due to expiration of their terms, for services rendered during their terms of office.

It is also proposed that the particular amounts, timing and method of payment of such allowances to the retiring Directors be determined at a meeting of the Board of Directors.

Brief personal histories of the retiring Directors are as follows:

Name	Brief Personal History
Kensuke Itoh	May 1975 Director of the Company Aug. 1979 Managing Director of the Company Jul. 1981 Senior Managing Director of the Company Jun. 1985 Vice President and Representative Director of the Company Jun. 1989 President and Representative Director of the Company Jun. 1999 Chairman of the Board and Representative Director of the Company Jun. 2005 Advisor and Director of the Company [Present]
Noboru Nakamura	Jun. 1991 Director of the Company Jun. 1995 Managing Director of the Company Jun. 1997 Senior Managing Director and Representative Director of the Company Jun. 1999 Vice President and Representative Director of the Company Jun. 2003 Director of the Company Apr. 2006 Chairman of the Board and Representative Director of the Company Apr. 2009 Advisor and Director of the Company [Present]
Naoyuki Morita	Jun. 2003 Director of the Company Apr. 2006 Vice Chairman of the Board and Representative Director of the Company Apr. 2009 Director of the Company [Present]
Michihisa Yamamoto	Jun. 1987 Director of the Company Jun. 1989 Managing Director of the Company Jun. 1992 Senior Managing Director and Representative Director of the Company Jun. 1999 Vice President and Representative Director of the Company Jun. 2003 Representative Director of the Company Jun. 2005 Director of the Company [Present]
Isao Kishimoto	Jun. 1993 Director of the Company Jun. 1997 Managing Director of the Company Jun. 2001 Senior Managing Director of the Company Jun. 2003 Director of the Company [Present]

In addition, the Company is abolishing the retirement allowance system for Directors and Corporate Auditors in line with the reformation of the system for remuneration of Directors and Corporate Auditors. Concomitantly with this, the Company proposes to pay to Messrs. Makoto Kawamura, Yuzo Yamamura, Tetsuo Kuba, Tatsumi Maeda, Hisao Hisaki, Rodney N. Lanthorne and John S. Gilbertson, who will be reelected as Directors upon approval of Agendum No. 3 as proposed by the Company, and to Mr. Yoshihiko Nishikawa, who will be reelected as Corporate Auditor upon approval of Agendum No. 4 as proposed by the Company, settlement funds in respect of retirement allowances for services rendered during their terms in office up to the close of this Meeting, in amounts which are reasonable and in accordance with the standards prescribed by the Company.

It is also proposed that the timing of the payment of such settlement fund be when the relevant Directors and Corporate Auditor retire from their respective offices, and that the particular amounts, timing and method of payment thereof to the abovementioned Directors be determined at a meeting of the Board of Directors and to the abovementioned Corporate Auditor be determined through discussion among the Corporate Auditors.

Brief personal histories of the Directors and Corporate Auditor who are proposed to receive the settlement funds are as follows:

Name	Brief Personal History
Makoto Kawamura	Jun. 2005 President and Representative Director Apr. 2009 Chairman of the Board and Representative Director of the Company [Present]
Yuzo Yamamura	Jun. 2003 Director of the Company Apr. 2006 Vice Chairman of the Board and Representative Director of the Company [Present]
Tetsuo Kuba	Jun. 2008 Director of the Company Apr. 2009 President and Representative Director of the Company [Present]
Tatsumi Maeda	Jun. 2008 Director of the Company Apr. 2009 Vice President and Representative Director of the Company [Present]
Hisao Hisaki	Jun. 1991 Director of the Company [Present]
Rodney N. Lanthorne	Jun. 1989 Director of the Company Mar. 1990 Managing Director of the Company Jun. 1999 Senior Managing Director and Representative Director of the Company Jun. 2003 Director of the Company [Present]
John S. Gilbertson	Jun. 1995 Director of the Company Jun. 1999 Managing Director of the Company Jun. 2003 Director of the Company [Present]
Yoshihiko Nishikawa	Jun. 2005 Full-time Corporate Auditor of the Company [Present]

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