

□ Description of the Preferred Shares

As of July 18, 2006

Classified stock	Third issue of Class B preferred share	Fourth issue of Class B preferred share	First issue of Class C preferred share
Number of shares issued	333,328 shares	4,166,600 shares	3,333,333 shares
Distribution of dividend	1YTibor + 2.375%	1YTibor + 2.375%	1YTibor + 1.500% No dividend to be distributed until March 2008
Upper limit	¥600	¥600	¥600
Participatory clause	Nonparticipating	Nonparticipating	Nonparticipating
Accumulative clause	Noncumulative	Noncumulative	Noncumulative
Interim dividend	Yes	Yes	Yes
Voluntary purchase/cancellation	Cancelable at any time	Cancelable at any time	Cancelable at any time
Mandatory redemption (Call)	None	None	Applied (Always possible for 22 years after the issuance, with the issue price of ¥6,000 + preferred dividend per diem)
Claim of redemption (Put)	If unappropriated retained earnings for the year of the previous fiscal year exceed ¥20.0 billion in and after July 2008, the redemption may be requested within an upper limit of the amount that corresponds to 50% of such unappropriated retained earnings being deducted by the dividend paid for the year.	If unappropriated retained earnings for the year of the previous fiscal year exceed ¥20.0 billion in and after July 2008, the redemption may be requested within an upper limit of the amount that corresponds to 50% of such unappropriated retained earnings being deducted by the dividend paid for the year.	None
Shareholders' conversion claim	Conversion to common stock	Conversion to common stock	Conversion to common stock
Conversion claimable period	16 years after the issuance or later: for 15 years (from July 2020 to June 2035)	19 years after the issuance or later: for 15 years (from July 2023 to June 2038)	22 years after the issuance or later: for 15 years (from July 2027 to June 2042)
Initial conversion price	¥1,300.40	¥1,300.40	To be determined based on the Company's stock price in the 22nd year after the issuance (the stock price at the time point when the claim for conversion starts)
Revision to the conversion price	In and after July 2021, upward/downward revisions possible annually based on the stock price	In and after July 2024, upward/downward revisions possible annually based on the stock price	Upward/downward revisions possible annually based on the stock price
Lower limit of the conversion price	50% of the initial conversion price	50% of the initial conversion price	50% of the initial conversion price
Upper limit of the conversion price	200% of the initial conversion price	200% of the initial conversion price	None

As of July 18, 2006

Classified stock	Third issue of Class B preferred share	Fourth issue of Class B preferred share	First issue of Class C preferred share
Mandatory conversion right	Conversion to common stock	Conversion to common stock	Conversion to common stock
Date of conversion	A date to be determined by a Board of Directors meeting on and after the last day of the conversion claimable period (June 2035)	A date to be determined by a Board of Directors meeting on and after the last day of the conversion claimable period (June 2038)	A date to be determined by a Board of Directors meeting in the 37th year after the issuance or later
Conversion price	The average for 30 transaction days reckoning from the 45th transaction day prior to the date of conversion (provided lower limit to be ¥500)	The average for 30 transaction days reckoning from the 45th transaction day prior to the date of conversion (provided lower limit to be ¥500)	The average for 30 transaction days reckoning from the 45th transaction day prior to the date of conversion (provided lower limit to be ¥500)
Distribution of residual asset	Nonparticipating with the issue value as the upper limit	Nonparticipating with the issue value as the upper limit	Nonparticipating with the issue value as the upper limit
Voting rights	None (Provided, however, that they would be automatically granted if unappropriated retained earnings for the year exceed ¥20.0 billion for the fiscal year ending March 2007 or later, plus when the distribution of the preferred dividend is ascertained to be impossible)	None (Provided, however, that they would be automatically granted if unappropriated retained earnings for the year exceed ¥20.0 billion for the fiscal year ending March 2007 or later, plus when the distribution of the preferred dividend is ascertained to be impossible)	None (Except for the cases provided for by laws)

Note: As of June 1, 2005, the Company canceled the 58,333,000 (100%) Class A preferred shares, 41,666,000 (100%) of the first and second issuances of Class B preferred shares and 38,332,720 (92% of the 41,666,000 relevant shares) of the third issuance of Class B preferred shares, all without compensation.