



## *Press Release*

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May 25, 2009

### **KOSÉ Corporation**

President: Kazutoshi Kobayashi

Stock exchange listing: Tokyo Stock Exchange, First Section; Stock code: 4922

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### **Notice of Partial Amendments to Articles of Incorporation**

KOSÉ Corporation, in accordance with a resolution approved by its Board of Directors on May 25, 2009, will submit the following proposal concerning “Partial Amendments to Articles of Incorporation” as described below for approval at the Annual General Meeting of Shareholders to be held on June 26, 2009.

#### **1. Purpose of Amendments to the Articles of Incorporation**

All shares of publicly owned companies in Japan were converted to book-entry form (so-called “electronic stock certificates”) on January 5, 2009 due to enactment of the Law for Partial Amendments to the Law Concerning Book-entry Transfer of Bonds and Other Securities to Streamline the Settlement of Transactions of Stocks and Other Securities (Law No. 88 of 2004), hereafter called the “Settlement Streamlining Law.”

Consequently, KOSÉ proposes to make the following amendments to the Articles of Incorporation to eliminate or revise provisions concerning share certificates, beneficial shareholders and the beneficial shareholders register, all of which are no longer needed. KOSÉ is also proposing an amendment to clearly state that Share Handling Regulations specify items concerning procedures for shareholders to exercise their rights. In addition, supplementary provisions are to be established because the Settlement Streamlining Law requires the retention of a lost share certificate register for one year starting on the day after enactment of this law.

Upon enactment of the Settlement Streamlining Law on January 5, 2009, pursuant to Article 6, Paragraph 1 of this law, the current Article 7 (Issuance of share certificates) of the Articles of Incorporation was deemed to have been legally deleted by a resolution approved by shareholders.



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### 2. Description of Proposed Changes

Proposed changes are as follows:

(Revised sections are underlined.)

Current	Proposed changes
<p>(<u>Issuance of share certificates</u>)  <u>Article 7</u> The Company shall issue certificates for its shares.            (Purchase of treasury stock)            Article <u>8</u> (Omitted)            (Shares in one unit <u>and non-issuance of share certificates of less than one unit</u>)            Article 9 The number of shares in one unit (tangen) of Company stock is 100.  <u>2. Irrespective of the provisions of Article 7, the Company will not issue share certificates for a number of shares less than one unit. However, this does not apply in cases prescribed by the Share Handling Regulations.</u>            (Rights for holdings of stock of less than one unit)            Article <u>10</u> Company shareholders (<u>including beneficial shareholders, same hereafter</u>) cannot exercise rights concerning a holding of less than one unit other than the rights listed below.            a. Rights prescribed in Article 189, Paragraph 2 of the Company Act            b. The right to make the demand prescribed in Article 166, Paragraph 1 of the Company Act            c. The right to receive allocations of shares and stock acquisition rights in proportion to the number of shares held            d. The right to make demands prescribed in the following articles            (Purchases to increase holding to one unit)            Article <u>11</u> (Omitted)            (Stock transfer agent)            Article <u>12</u> The Company will have a stock transfer agent.            2. The stock transfer agent and place of business will be determined by a resolution of the Board of Directors and a public announcement will be made.</p>	<p>(Deleted)             (Purchase of treasury stock)            Article <u>7</u> (Unchanged)            (Shares in one unit)             Article <u>8</u> The number of shares in one unit (tangen) of Company stock is 100.            (Deleted)             (Rights for holdings of stock of less than one unit)            Article <u>9</u> Company shareholders cannot exercise rights concerning a holding of less than one unit other than the rights listed below.            a. Rights prescribed in Article 189, Paragraph 2 of the Company Law            b. The right to make the demand prescribed in Article 166, Paragraph 1 of the Company Law            c. The right to receive allocations of shares and stock acquisition rights in proportion to the number of shares held            d. The right to make demands prescribed in the following articles            (Purchases to increase holding to one unit)            Article <u>10</u> (Unchanged)            (Stock transfer agent)            Article <u>11</u> The Company will have a stock transfer agent.            2. The stock transfer agent and place of business will be determined by a resolution of the Board of Directors and a public announcement will be made.</p>



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Current	Proposed changes
<p>3. The stock transfer agent will prepare and store the Company's register of shareholders <u>(including register of beneficial shareholders, same hereafter)</u>, register of stock acquisition rights <u>and register of lost share certificates</u> and perform other administrative tasks concerning the register of shareholders, register of stock acquisition rights <u>and register of lost share certificates</u> and the Company will not perform these tasks.</p> <p>(Share handling regulations)</p> <p>Article <u>13</u> The handling of Company stock <u>and related fees</u> will be determined by laws, regulations or the Articles of Incorporation as well as by the Share Handling Regulations established by the Board of Directors.</p> <p>Article <u>14</u> – Article <u>39</u> (Omitted) (New addition)</p>	<p>3. The stock transfer agent will prepare and store the Company's register of shareholders, register of stock acquisition rights and perform other administrative tasks concerning the register of shareholders, register of stock acquisition rights and the Company will not perform these tasks.</p> <p>(Share handling regulations)</p> <p>Article <u>12</u> <u>Procedures for exercising the rights of shareholders and for other items</u> regarding the handling of stock will be determined by laws, regulations or the Articles of Incorporation as well as by the Stock Handling Regulations established by the Board of Directors.</p> <p>Article <u>13</u> – Article <u>38</u> (Unchanged) <u>Supplementary Provisions</u></p> <p><u>Article 1</u> <u>The stock transfer agent will prepare and store the register of lost share certificates and perform other administrative tasks concerning the register of lost share certificates and the Company will not perform these tasks.</u></p> <p><u>Article 2</u> <u>Article 1 and this Article will be effective up to and including January 5, 2010 and will be deleted on January 6, 2010.</u></p>

### 3. Timetable

Shareholders' Meeting for amendments to Articles of Incorporation: June 26, 2009 (Friday)  
 Date when amendments become effective: June 26, 2009 (Friday)