
SHARE CAPITAL

AUTHORISED AND ISSUED SHARE CAPITAL

The following is a description of the authorised and issued share capital of our Company in issue and to be issued as fully-paid or credited as fully-paid immediately before and after the completion of the Global Offering:

Authorised share capital

Our Company does not have any specific value of authorised share capital as the concept of shares with par value was abolished when the Commercial Code was amended in 2001. Immediately following the completion of the Global Offering, the total number of Shares authorised to be issued by our Company pursuant to our Articles of Incorporation is 2,520,000,000 Shares.

Issued Share Capital

Assuming the Over-Allotment Option is not exercised, the share capital of our Company immediately following completion of the Global Offering will be as follows:

Shares issued and to be issued, fully paid or credited as fully paid

Shares in issue immediately before the completion of the Global Offering	630,850,360
Shares to be issued pursuant to the Global Offering (excluding any Shares which may be issued under the Over-Allotment Option)	<u>112,000,000</u>
Total	<u><u>742,850,360</u></u>

Assuming the Over-Allotment Option is exercised in full, the share capital of our Company immediately following the completion of the Global Offering will be as follows:

Shares issued and to be issued, fully paid or credited as fully paid

Shares in issue immediately before the completion of the Global Offering	630,850,360
Shares to be issued pursuant to the Global Offering (inclusive of Shares which may be issued on full exercise of the Over-Allotment Option)	<u>128,800,000</u>
Total	<u><u>759,650,360</u></u>

Assumptions

This information assumes the Global Offering has become unconditional and the issue of Shares pursuant thereto is made as described herein. It does not take into account any Shares which may be issued or repurchased by our Company under the general mandates for the allotment and issue or repurchase of Shares granted to our Directors as referred to below or otherwise.

SHARE CAPITAL

Ranking

The Offer Shares and the Shares that may be issued pursuant to the Over-Allotment Option will rank *pari passu* with all existing Shares in issue on the date of the allotment and issue of such Shares, and in particular will be entitled to all dividend or other distributions declared, made or paid after the date of this Prospectus.

GENERAL MANDATE TO ISSUE SHARES

Our Board of Directors was granted a general unconditional mandate (the “General Mandate”) to allot, issue and deal with such number of Shares with representing not more than the sum of:

- (a) 20% of the entire issued share capital of our Company immediately following completion of the Global Offering; and
- (b) the aggregate number of Shares repurchased by our Company, if any, under the general mandate to repurchase Shares referred to below.

The aggregate number Shares which our Board is authorised to allot and issue under this mandate will not be reduced by the allotment and issue of Shares pursuant to (a) a rights issue; or (b) any specific authority granted by our Shareholders in Shareholders’ meeting(s); or (c) any arrangement that would be regulated under Chapter 17 of the Listing Rules.

The General Mandate will expire at the earliest of:

- the conclusion of the next Shareholders’ meeting of our Company; or
- the expiration of the period within which our Company is required by law or its Articles of Incorporation to hold its next annual Shareholders’ meeting; or
- when varied, revoked or renewed by an ordinary resolution of our Shareholders in a Shareholders’ meeting.

For further details of the General Mandate, please refer to “A. Further Information about our Company — 4. Extraordinary Shareholders’ meeting of our Company dated 20 June 2012” in Appendix V to this Prospectus.

The General Mandate was granted pursuant to our Articles of Incorporation, which provide that our Board of Directors may be entrusted with the power to issue and allot Shares by way of general mandate granted by the Shareholders via an ordinary resolution. Under Japanese law, the General Mandate is not enforceable when (i) an issue or allotment of Shares to a third party is proposed on terms and conditions *especially favourable* to such third party (in which case a special resolution of the Shareholders is required); or (ii) after an allotment, issue, or dealings in the Shares pursuant to the General Mandate, our entire issued share capital exceeded or would exceed the maximum number of Shares authorised to be issued by our Company (currently 2,520,000,000 Shares under our Articles of Incorporation).

As advised by our Japan Legal Adviser, there is no clear definition under Japanese law of the circumstances where an issue or allotment of Shares may be deemed as *especially favourable* to a third party. Under the internal rules of the Japan Securities Dealers Association,

SHARE CAPITAL

an issue or allotment of Shares will be taken as *especially favourable* to a third party when less than 90% of the market of the Shares so issued or allotted is required from the said third party in consideration for such issue or allotment.

GENERAL MANDATE TO REPURCHASE SHARES

Our Board of Directors was granted a general unconditional mandate (the “Repurchase Mandate”) to exercise all the powers of our Company to repurchase such number of Shares representing not more than 10% of the entire issued share capital of our Company following the completion of the Global Offering.

The Repurchase Mandate only relates to repurchases made on the Stock Exchange, or any other stock exchange on which the Shares are listed (and which is recognised by the SFC and the Stock Exchange for this purpose), and which are made in accordance with all applicable laws and requirements of the Listing Rules. Further information regarding the repurchase of Shares is set out in “A. Further Information about our Company — 6. Repurchase by our Company of its own securities” in Appendix V to this Prospectus.

The Repurchase Mandate will expire at the earliest of:

- the conclusion of the next annual Shareholders’ meeting of our Company; or
- the expiration of the period within which our Company is required by law or our Articles of Incorporation to hold its next annual Shareholders’ meeting; or
- when varied, revoked or renewed by an ordinary resolution of our Shareholders in a Shareholders’ meeting.

For further details of this general mandate are set out in “A. Further Information about our Company — 4. Extraordinary Shareholders’ meeting of our Company dated 20 June 2012” in Appendix V to this Prospectus.

Under Japanese law, repurchases by our Company through the Repurchase Mandate must be conducted through *market transactions, etc.* (*shijo torihiki tou* 市場取引等). Given the lack of relevant judicial precedent in Japan, it is unclear whether repurchases on the Stock Exchange are within the scope of *market transactions, etc.* (*shijo torihiki tou* 市場取引等). Our Board of Directors undertake not to exercise the Repurchase Mandate unless there is clear judicial authority requiring such exercise in Japan. Shareholders should also note that under the Companies Act, the total book value of the monies paid to the relevant Shareholders pursuant to the exercise of the Repurchase Mandate shall not exceed the Distributable Amount of our Company as at the date of repurchase.