

(Translation)

Securities Code: 6632
June 1, 2009

JVC KENWOOD Holdings, Inc.
12, 3-chome, Moriya-cho, Kanagawa-ku,
Yokohama, Kanagawa

NOTICE OF CONVOCAION OF THE 1ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

You are cordially invited to attend the 1st ordinary general meeting of shareholders of JVC KENWOOD Holdings, Inc. (the "Company"), to be held on Wednesday, June 24, 2009. You will find more information about the meeting below, on Page 2.

In the event you can't attend, you can exercise your voting rights in writing or by using electronic media (such as the Internet), according the following instructions, after reviewing the reference documents for the general meeting of shareholders below,

- (1) by indicating whether you vote For or Against the proposals in the enclosed Voting Rights Exercise Form and then returning it by 6:00 p.m. on Tuesday, June 23, 2009, or,
- (2) by visiting the Website for Exercise of Voting Rights that the Company designates (<http://www.webdk.net>) and logging onto the website using the "Voting Code" and "Password" shown in the enclosed "Voting Rights Exercise Form" and enter For or Against our proposal according to the instructions by 6:00 p.m. on Tuesday, June 23, 2009.

If voting on the Internet, please refer to the "Procedures and Treatment in Exercising the Voting Rights through Electronic Media (such as the Internet)" on Page 3.

In the event that you have exercised your voting right in both ways (in writing and also on the Internet), the vote on the Internet prevails regardless of the time when we received your vote.

Also, in the case of multiple votes on the Internet, the latest one shall prevail.

With Best Regards,

Haruo Kawahara
Chairman (Representative Director of the Board)

JVC KENWOOD Holdings, Inc. are Japanese companies. The offer is subject to Japanese disclosure requirements that are different from those of the United States. Financial statements included herein have been prepared in accordance with Japanese accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, since the companies are located in Japan, and some or all of their officers or directors are residents of Japan. You may not be able to sue the companies or their officers or directors in a Japanese court for violations of the U.S. securities laws. Finally, it may be difficult to compel the companies and their affiliates to subject themselves to a U.S. court's judgment.

(Translation)

Description

1. Date and Time: Wednesday, June 24, 2009, at 10 a.m.
2. Place: Shinagawa Intercity Hall
15-4, Konan 2-chome, Minato-ku, Tokyo
3. Agenda:
 - Matters to be Reported:
 1. Report on Business Report and Consolidated Financial Statements for the 1st Fiscal Year (From October 1, 2008 to March 31, 2009) and the Audit Reports on the Consolidated Financial Statements from the Accounting Auditor and the Board of Statutory Auditors
 2. Report on the Non-consolidated Financial Statements for the 1st Fiscal Year (From October 1, 2008 to March 31, 2009)
 - Matters to be Resolved:
 - Proposal No. 1: Partial amendments to Articles of Incorporation
 - Proposal No. 2: Election of Nine (9) Directors
 - Proposal No. 3: Election of One (1) Statutory Auditor
 - Proposal No. 4: Decision to remuneration for Directors and Statutory Auditors

END

- If you plan to attend the meeting, please submit the enclosed Voting Rights Exercise Form to the receptionist at the meeting.
- In the event that you can't attend the meeting, it is permitted that a shareholder who has voting right as proxy may attend the meeting. However, in this case, submission of a form to designate the proxy is required.
- The details of the proposals are described in the reference documents for the general meeting of shareholders (page 5 to 12).
- In case of any changes in the reference documents, business report, non-consolidated financial statements and consolidated financial statements, the changes will be posted on the website (<http://www.jk-holdings.com/>).

(Translation)

**<Procedures and Treatment in Exercising the Voting Rights
through Electronic Media (such as the Internet)>**

In the event of exercising your voting rights on the Internet, please check the following items in advance.

If you plan to attend the meeting, exercise of voting rights by mail (Voting Rights Exercise Form) or on the Internet is not required.

Description

1. Online voting is available only by accessing the website noted below. This site is also available through the Internet via cellular phone.

Online voting site: <http://www.webdk.net>

* If your cellular phone is equipped with a barcode reader, you may use the two-dimensional code at right in order to access the online voting site. For more detailed information on that procedure, please refer to your phone's user manual.



2. When voting online, enter the voting code and password indicated on the enclosed voting form. Then indicate your consent/dissent concerning for each item by following the instructions displayed on the screen.

3. Online votes will be accepted until the day immediately prior to the date of the Annual Shareholders' Meeting (deadline for online voting: 6:00 p.m., June 23, 2009, JST). However, voting in advance will be highly appreciated for our convenience in vote counting.

4. In the event that a vote is exercised in duplicate via online and via the enclosed voting form, only the online vote shall be counted.

5. In the event that more than one online vote is exercised (including votes via PC and via cellular phone), only the most recent vote shall be counted.

6. Any costs related to connecting to a shareholder's Internet provider, as well as communication charges (including telephone charges) for accessing the online voting site, shall be borne by the shareholder.

<System Requirements for Online Voting>

The following system environments are required for accessing the online voting site.

1. Internet access
2. When voting via PC, Microsoft® Internet Explorer version 5.5 SP2 or newer, or Netscape version 6.2 or newer browser software and compatible hardware.
3. When voting via cellular phone, a 128-bit SSL communication (encrypted communication) compatible model. (For security purposes, only 128-bit SSL communication compatible cellular phones can access to the online voting system. Other models are not compatible with this system.)

(Microsoft is a registered trademark of Microsoft Corporation in the United States and other countries. Netscape is a registered trademark of Netscape Communications Corporation in the United States and other countries.)

<Inquiries for Online Voting>

Please contact the following Help Desk for inquiries about online voting.

Agent for Shareholder Registry Management:

**The Sumitomo Trust & Banking Co., Ltd.
Stock Transfer Agency Department (Help Desk)
Phone (toll-free within Japan): 0120-186-417 (24 hours/day)**

(Translation)

For other inquiries, please contact: The Sumitomo Trust & Banking Co., Ltd., Stock Transfer Agency Department at 0120-176-417 (toll-free phone within Japan, 9:00 a.m. to 5:00 p.m.).

<Electronic Voting Platform>

For nominee shareholders of trust banks (including standing proxies), if they apply for the use of the “Electronic Voting Platform” operated by ICJ, Inc., which is a joint venture established in the Tokyo Stock Exchange, Inc. (TSE), they can select to use this platform for voting, other than the voting method on the Internet shown in the above items 1 through 6, as methods of voting using electronic media in our meeting.

END

(Translation)

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposal No. 1: Partial amendments to Articles of Incorporation

1. Reason for amendments

As the Law to Partially Amend The Law Regarding Transfer of Corporate Bond for Rationalization of Settlements Related to Stock Exchange” (Law No. 88 of Year 2004) was enforced on January 5, 2009, and the shares of listed companies were concurrently computerized, the current Article 7, which prescribes the issuance of stock certificates, is to be deleted and all articles after the current Article 8, inclusive, are to be moved forward by one article. Additionally, the provisions of current Articles 8 through 10 of the Articles of Incorporation which are stipulated on the premise of the existence of stock certificates are to be deleted or amended as appropriate.

In addition, as the clerical works related to the register of lost stock certificates are to be conducted only unit expiration on January 5, 2010, supplementary provisions prescribing the interim measures regarding the clerical works related to the register of lost stock certificates are added.

Furthermore, in accordance with the current status of the Company’s business, the current Article 2 of the Articles of Incorporation is to be modified as proposed in order to match with the diversification of business.

2. Details of proposed amendments

Details of the proposed amendments are as follows:

(Amended portions are underlined)

Existing Articles of Incorporation	Proposed Amendments
<p>(Purpose) Article 2: The purpose of the Company is to be engaged in the following businesses: 1. To control and manage the activities of companies engaged in the following businesses as well as foreign companies engaged in similar businesses by owning shares or equity of such companies.</p> <p style="text-align: center;">(Text omitted)</p> <p><u>(Issuance of Share Certificates)</u> <u>Article 7:</u> <u>The Company shall issue share certificates related to the shares.</u></p> <p>(Unit of Shares; Non-Issuance of Share Less than One Unit) Article 8: 1. The number of shares constituting one unit shall be 100 shares. 2. <u>Notwithstanding the provision stipulated in the preceding paragraph, the Company shall not issue share certificates representing less than one unit. Additional restrictions may apply as stipulated in the Share Handling Regulations.</u></p> <p>(Rights concerning Shares Less than One Unit) Article 9: The shareholders <u>(hereinafter including the actual shareholders)</u> of the Company may not execute rights other than the rights listed below, concerning shares representing less than one unit: (1) (Text omitted) (2) (Text omitted) (3) (Text omitted)</p>	<p>(Purpose) Article 2: The purpose of the Company is to be engaged in the following businesses: 1. <u>To conduct the following business and</u> to control and manage the activities of companies engaged in the following businesses as well as foreign companies engaged in similar businesses by owning shares or equity of such companies.</p> <p style="text-align: center;">(Text unchanged)</p> <p style="text-align: center;">(Deleted)</p> <p>(Unit of Shares; Non-Issuance of Share Less than One Unit) Article <u>7</u>: The number of shares constituting one unit shall be 100 shares.</p> <p style="text-align: center;">(Deleted)</p> <p>(Rights concerning Shares Less than One Unit) Article <u>8</u>: The shareholders of the Company may not execute rights other than the rights listed below, concerning shares representing less than one unit: (1) (Text unchanged) (2) (Text unchanged) (3) (Text unchanged)</p>

(Translation)

Existing Articles of Incorporation	Proposed Amendments
<p>(Manager of Shareholders List) Article <u>10</u>: 1. (Text omitted) 2. (Text omitted) 3. The Company's shareholders list <u>(hereinafter including the actual shareholders list)</u>, preparation and storage of the original register of share warrant <u>and the book of lost stocks</u>, and paperwork concerning other shareholders lists, the original register of share warrant <u>and the book of lost stocks</u> shall be entrusted to the manager of shareholders list, and none of the above shall be handled internally by the Company.</p>	<p>(Manager of Shareholders List) Article <u>9</u>: 1. (Text unchanged) 2. (Text unchanged) 3. The Company's shareholders list, preparation and storage of the original register of share warrant and paperwork concerning other shareholders lists, the original register of share warrant shall be entrusted to the manager of shareholders list, and none of the above shall be handled internally by the Company.</p>
<p>(Share Handling Regulations) Article <u>11</u>: Shares and share warrants of this Company and procedures for executing shareholder's rights and fees shall be handled in accordance with, in addition to applicable laws and regulations and the articles of incorporation of the Company, the Share Handling Regulations as adopted by a resolution of the Board of Directors.</p>	<p>(Share Handling Regulations) Article <u>10</u>: Shares and share warrants of this Company and procedures for executing shareholder's rights and fees shall be handled in accordance with, in addition to applicable laws and regulations and the articles of incorporation of the Company, the Share Handling Regulations as adopted by a resolution of the Board of Directors.</p>
<p>Article <u>12</u> – Article <u>23</u> (Text Omitted)</p>	<p>Article <u>11</u> – Article <u>22</u> (Text Unchanged)</p>
<p>(Regulations of the Board of Directors) Article <u>24</u>: Matters relating to the Board of Directors, other than those specifically provided for by law or in the Articles of Incorporation, shall be governed by the Regulation of the Board of Directors to be adopted by a resolution of the Board of Directors.</p>	<p>(Regulations of the Board of Directors) Article <u>23</u>: Matters relating to the Board of Directors, other than those specifically provided for by law or in the Articles of Incorporation, shall be governed by the Regulation of the Board of Directors to be adopted by a resolution of the Board of Directors.</p>
<p>Article <u>25</u> – Article <u>30</u> (Text Omitted)</p>	<p>Article <u>24</u> – Article <u>29</u> (Text Unchanged)</p>
<p>(Regulations of the Board of Auditors) Article <u>31</u>: Matters relating to the Board of Auditors, other than those specifically provided for by law or in the Articles of Incorporation, shall be governed by the Regulation of the Board of Auditors to be adopted by a resolution of the Board of Auditors.</p>	<p>(Regulations of the Board of Auditors) Article <u>32</u>: Matters relating to the Board of Auditors, other than those specifically provided for by law or in the Articles of Incorporation, shall be governed by the Regulation of the Board of Auditors to be adopted by a resolution of the Board of Auditors.</p>
<p>Article <u>32</u> – Article <u>38</u> (Text Omitted)</p>	<p>Article <u>31</u> – Article <u>37</u> (Text Unchanged)</p>

(Translation)

Existing Articles of Incorporation	Proposed Amendments
(Inserted)	Chapter 8: Supplemental Provisions (Register of Lost Stock Certificates) <u>Article 38:</u> <u>The preparation and storage of the Company's register of lost stock certificates and other clerical works related to the register of lost stock certificates shall be entrusted to the manager of shareholders list and shall not be handled internally by the Company.</u>
(Inserted)	(Deletion of Supplemental Provisions) <u>Article 39:</u> <u>The preceding article and this article shall be effective until January 5, 2010, and the preceding article and this article shall be deleted as of January 6, 2010.</u>

Proposal No. 2: Election of Nine (9) Directors

All seven (7) directors' tenure of office is to expire at the end of the coming General Meeting of Shareholders. In connection with this, the shareholders are requested to elect nine (9) directors, among which the presidents of subsidiary business companies (including those scheduled to become presidents) are included in order to promote integrated group operation ground forward.

The candidates are as follows:

No.	Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held
1	Haruo Kawahara (March 9, 1939)	Jun. 1996 Director and General Planning Manager, delegation, Toshiba Corp. Jun. 1997 Executive Director Jul. 2000 Advisor Jun. 2002 President, Representative Director of the Board, Executive Officer CEO, Kenwood Corporation Jun. 2007 Chairman, Representative Director of the Board Oct. 2008 Chairman, Representative Director of the Board, Executive Officer CEO, JVC KENWOOD Holdings, Inc. (currently), Representative Director of the Board, Victor Company of Japan , Limited (currently)	217,200 shares
2	Hiroshi Odaka (September 20, 1952)	Apr. 1976 Joined the Nippon Credit Bank, Limited (currently Aozora Bank, Ltd.) Aug. 1993 Left the Bank, Concurrently holds the post of Director or Advisor of several companies as well as working on consulting work Mar. 2003 Joined the PricewaterhouseCoopers Financial Advisory Service Co., Ltd. (currently PwC Advisory Co., Ltd.), Turn around manager in charge of corporate turnaround business Nov. 2004 Joined the Nippon Mirai Capital Co., Ltd. Temporarily transferred to Daiichi Kasei Co., Ltd., Advisor Jan. 2005 Senior Executive Officer Jun. 2005 Representative Director and President Oct. 2008 Deputy President, Director of the Board, CFO, General Executive, Strategic Corporate Planning Division, JVC KENWOOD Holdings, Inc., (currently)	41,800 shares

(Translation)

No.	Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held
3	Jiro Iwasaki (December 6, 1945)	Apr. 1974 Joined the Tokyo Denki Kagaku Kogyo K.K. (currently TDK Corp.) Jul. 1992 Chief, Corporate development department Jun. 1996 Director, manager of personnel and training department Jun. 1998 Executive Director, manager of record media business department Jun. 2002 Executive Director, Managing Executive Officer, administration group, General Manager Jun. 2006 Executive Director, Senior Executive Officer, administration group, general manager Mar. 2008 External Auditor, GCA Savvian Group Corp. (currently) Jun. 2008 Former Director, TDK Corp. (currently) Oct. 2008 Director of the Board, JVC KENWOOD Holdings, Inc. (currently)	16,100 shares
4	Motoyoshi Adachi (January 26, 1955)	Apr. 1977 Joined the Victor Company of Japan , Limited Apr. 1999 Manager, Marketing Development Division, Overseas sales division, AV and multimedia business headquarters Feb. 2003 Vice President, JVC Canada Inc. Jan. 2005 Responsible for AV & Multimedia Company of corporate planning department Jan. 2006 Executive mobile AV business group manager of AVC accessory category overseas sales department Sep. 2006 Mobile AV business group Chief and overseas sales manager of AVC accessory category Oct. 2008 Senior Vice President, Director of the Board, Strategic Business Development, General Executive, Business Development & Strategy Division, JVC KENWOOD Holdings, Inc. (currently)	21,700 shares

(Translation)

No.	Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held
5	Hidetoshi Yoshida (November 20, 1956)	<p>Apr. 1980 Joined Victor Company of Japan , Limited</p> <p>Feb. 1989 Chief, Recorders Sales Planning Sect., Consumer Video Dept., Sales Div., JVC Company of America</p> <p>Apr. 1993 Deputy Staff Manager, America Group, Overseas Sales Dept., Video Division (in charge of North America)</p> <p>Apr. 1997 Deputy General Manager Europe Sales Dept., Overseas Sales Div., AV & Multimedia Div.</p> <p>Oct. 1998 President JVC Deutschland GmbH, Apr. 2005 Administrative Officer, Victor Company of Japan , Limited</p> <p>Jun. 2006 President, JVC Deutschland GmbH, Director JVC, President European Company President, JVC Europe Limited, President JVC International (Europe) GmbH</p> <p>Apr. 2007 President, JVC Logistics Europe N.V.</p> <p>Apr. 2008 Supervisor Display Business, Head of Display Category, Display Business Group, Victor Company of Japan, Limited</p> <p>Jun. 2008 Senior Managing Director, VICTOR COMPANY OF JAPAN, LIMITED</p> <p>Oct. 2008 President, Representative Director of the Board Victor Company of Japan, Limited (currently)</p>	4,000 shares
6	Kazuo Shiohata (June 29, 1950)	<p>Jul. 2001 Sales Manager of Yokohama area, The Asahi Bank, Ltd. (currently, Resona Bank, Limited)</p> <p>Jun. 2002 Joined Kenwood Corporation Executive Officer and Managing Director</p> <p>Oct. 2002 General Manager, Finance and Accounting</p> <p>Apr. 2003 Assistant to the President, Finance and Accounting (CFO)</p> <p>Jun. 2003 Director, Executive Vice President & Executive Officer, Assistant to President (CFO)</p> <p>Jun. 2004 CFO, Assistant to CEO (in charge of stock legal and public relations)</p> <p>Oct. 2005 General Manager, Corporate Relations Division</p> <p>Apr. 2006 Assistant to CEO (in charge of human resources)</p> <p>Jun. 2006 Assistant to CEO (in charge of human resources and financial strategy support)</p> <p>Jun. 2007 President, Representative Director of the Board (currently), Executive Officer CEO (currently), Chairman of meetings for environment (currently)</p> <p>Aug. 2008 Representative Director of the Board, J&K Technologies Corp. (currently)</p> <p>Jun. 2009 President, Representative Director of the Board (scheduled)</p>	199,400 shares

(Translation)

No.	Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held
7	Kazuhiro Aigami (October 27, 1957)	<p>Apr. 1990 Joined Kenwood Corporation</p> <p>Apr. 2004 General Manager, Overseas Sales, Communications Div.</p> <p>Jun. 2005 General Supervisor, Overseas Sales, Communications Div.</p> <p>Apr. 2006 General Supervisor, Overseas Marketing, Communications Div. General Manager, Overseas Marketing Development, Communications Div.</p> <p>Apr. 2007 General Manager, Communications Div. (currently)</p> <p>Jun. 2007 Managing Operating Officer</p> <p>Jun. 2008 Director of the Board & Senior Managing Operating Officer, General Manager Yokohama Office (currently)</p> <p>Jul. 2008 Assistant to CEO (in charge of communications strategy) (currently)</p> <p>Oct. 2008 Executive Vice President, Director of the Board (currently)</p> <p>Jun. 2009 President, Representative Director of the Board (scheduled)</p>	61,500 shares
8	Koji Kashiwaya (January 1, 1939)	<p>Apr. 1961 Joined Ministry of Finance</p> <p>Jun. 1978 General Manager of General Affairs, Tokyo Customs</p> <p>Jun. 1980 General Manager of Direct Tax Dept., Osaka Regional Taxation Bureau</p> <p>Jun. 1982 Manager, Capital Market Section, Marketable Securities Bureau, Ministry of Finance,</p> <p>Jun. 1984 General Manager, Tokyo Office, World Bank</p> <p>Jul. 1987 Councilor, International Finance Bureau, Ministry of Finance</p> <p>Jun. 1989 Deputy Director General , World Bank</p> <p>Sep. 1994 President, Nomura Project Finance Co., Ltd.</p> <p>Jan. 1996 CEO and President, AIMAC</p> <p>Mar. 2008 Director, Maruzen Textile Co. (currently)</p> <p>Apr. 2008 Director, Busou Real Estate Co.(currently)</p> <p>Oct. 2008 Director of the Board, JVC KENWOOD Holdings, Inc. (currently)</p> <p>Nov. 2008 Visiting Professor, Tokyo University of Agriculture and Technology (currently)</p> <p>Apr. 2009 Awarded Orders of the Sacred Treasure</p>	16,100 shares

(Translation)

No.	Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held
9	Makoto Matsuo (May 28,1949)	Apr. 1975 Registered as an attorney at law, joined the Ozaki & Momoo Law Firm Aug. 1978 Joined the Weil, Gotshal & Manges Law Firm, New York, USA Mar. 1979 Registered as an attorney at law (New York, USA) Sep. 1980 Joined the Ozaki & Momoo Law Firm Jan. 1988 Director, Demel Japan (currently) Apr. 1989 Partner; Momoo, Matsuo & Namba Law Firm (currently) Aug. 1998 Auditor, Nike Japan (currently) Jun. 1999 Auditor, Victor Company of Japan, Limited (currently) Jun. 2000 Auditor, Billing System Corporation. (currently) May 2006 Auditor, Aquacast Corporation (currently) Jun. 2007 Director, Capcom Co., Ltd. (currently) Mar. 2008 Auditor, Burberry Japan (currently) Oct. 2008 Director of the Board, JVC KENWOOD Holdings, Inc.(currently)	2,000 shares

- Note)
1. There is no special vested interest between each candidate and the Company.
 2. Mr. Koji Kashiwaya and Mr. Makoto Matsuo are candidates of external directors prescribed under Paragraph 3-7 of Article 2 of enforcement regulations of the Corporate Law.
 3. The reason why Mr. Koji Kashiwaya and Mr. Makoto Matsuo are selected as candidates of external directors
 - (1) The company proposes to elect Mr. Koji Kashiwaya as an external director and expects that his plentiful of experience, performance records, and insight in the fields of finance and taxation will be reflected in Company management. Mr. Koji Kashiwaya is currently an external director of the company and his tenure of office as external director of the company is nine (9) months counting from when he took office at the time of the establishment of the Company till the end of the coming General Meeting of Shareholders.
 - (2) The company proposes to elect Mr. Makoto Matsuo as an external director and expects that his plentiful of experience and knowledge as a lawyer and his proper advice in legal matters based on his professional views will be reflected in Company management. Mr. Makoto Matsuo is currently an external director of the company and his tenure of office as external director of the Company becomes nine (9) months counting from when he took office at the time of the establishment of the Company till the end of the coming General Meeting of Shareholders.
 4. Conclusion of liability limitation agreement with the candidates for external director
The Company has concluded liability limitation agreements to limit the indemnity liability provided under Paragraph 1 of Article 423 of the Company Law with Messrs. Koji Kashiwaya and Makoto Matsuo. When the reappointment of these gentlemen is approved, the Company shall extend the agreements in question.
The outline of the said agreement is as follows:
In these agreements, the amount of indemnity liability provided under Paragraph 1 of Article 423 of the Corporate Law is limited to JPY5 million or the minimum liability limitation provided by law, whichever the highest, when the external directors have conducted their duty faithfully and without gross negligence.

Proposal No. 3: Election of One (1) Statutory Auditor

Mr. Norimichi Saito, Statutory Auditor, will resign from office as of the end coming General Meeting of Shareholders. Therefore, the shareholders are requested to elect one (1) external auditor. Since Mr. Koichi Kurosaki, the candidate for auditor, will be elected as the person to fill the vacancy of Mr. Norimichi Saito, resigning Statutory auditor, Mr. Kurosaki's tenure of office shall be until the expiration of Mr. Saito's tenure of office as an auditor in accordance with the provision of the Company's Articles of Incorporation. The consent of the Board of Auditors with regard to this proposal has been duly obtained. The candidate is as follows:

(Translation)

Name (Date of Birth)	Profile, position in the Company (status as representative in other corporations)	The number of the Company's shares held	
Koichi Kurosaki (May 16, 1945)	May 1995	General Manager 1 st Sales Dept., Asahi Bank (currently Resona Bank, Ltd.) Head Office	27,600 shares
	Jun. 2002	Senior Managing Director, Asahi Research Institute Co.,Ltd. (currently Resona Research Institute Co.,Ltd.)	
	Jun. 2003	Auditor, Kenwood Corporation (currently)	
	Dec 2003	Standing Auditor, Resona Capital Co., Ltd.	
	Jul. 2005	Standing Auditor, Takarajima Wondernet Inc.(currently)	

- (Note)
1. There is no special vested interest between the candidate and the Company.
 2. Mr. Koichi Kurosaki is a candidate for external auditor prescribed under Paragraph 3-8 of Article 2 of enforcement regulations of the Corporate Law.
 3. Reason why Mr. Koichi Kurosaki is selected as a candidate of external auditor
Mr. Koichi Kurosaki used to work for a financial institution. The company is proposing to elect Mr. Koichi Kurosaki as an external auditor and expects that he will use his plentiful experience and knowledge to reinforce auditing procedures mainly from monetary and financing standpoints.
 4. Conclusion of liability limitation agreement with the candidate for external auditor
Our Articles of Incorporation provide that the Company can conclude an agreement which limits the indemnity liability provided under Paragraph 1 of Article 423 of the Corporate Law to a certain level with the external auditors so that the Company can invite excellent personnel as external auditors. In accordance with this, the Company plans to conclude such a limited liability agreement with Mr. Koichi Kurosaki when his assignment is approved at the General Meeting. The outline of the agreement is as follows:
In this agreement, the amount of indemnity liability provided under Paragraph 1 of Article 423 of the Corporate Law is limited to JPY5 million or the minimum liability limitation provided by law, whichever the highest when the external auditor has conducted his duty faithfully and without gross negligence.

Proposal No. 4: Decision of Amounts of Remuneration to Directors and Statutory Auditors

Currently, the amounts of remuneration to directors and statutory auditors are prescribed under Article 40 of the Articles of Incorporation enforced at the time of the Company's establishment to be JPY36 million per month for directors and JPY9 million per month for auditors. However, since this article will be deleted at the end of the coming General Meeting of Shareholders, we propose that the amounts of remuneration to directors and auditors after the end of coming General Meeting are newly decided to be the same as the current amounts, namely JPY36 million per month for directors (JPY4 million or less for external directors, inclusive) and JPY9 million per month for auditors.

As in the past, the amount of remuneration for directors does not include salaries for the employee portion of the directors who work as employees at the same time and any bonus, retirement benefit, or other monetary remuneration other than the above shall not be paid to directors and auditors.

The number of directors is currently 7 (including 3 external directors) and the number will become 9 (including 2 external directors) when Proposal No. 2 is approved as proposed. The number of auditors is currently 5 and the number will stay same after Proposal No. 3 is approved as proposed.

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