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MEMORANDUM

Date: March 3, 2010
To: Interested Persons
Re: Update: Preparing Your 2009 Form 20-F

In light of recent proposals by Japan's Financial Services Agency (FSA) to enhance executive compensation disclosure requirements for Japanese companies, we have prepared this update to our original memorandum "Preparing Your 2009 Form 20-F."

On Friday, February 12, the FSA issued a proposal to require Japanese companies to disclose compensation, including stock options, bonuses and retirement benefits, on an individual basis for certain executives making JPY100 million or more. This type of disclosure on an individual basis is currently optional in Japan. If approved, the new requirement could trigger additional disclosure in annual reports on Form 20-F filed by Japanese companies that report to the SEC.

Item 6.B.1 of Form 20-F mandates disclosure on an individual basis of compensation paid to company directors and members of the company's administrative, supervisory and management bodies unless such information is not required to be disclosed by the company's home country or is not otherwise publicly disclosed by the company. To date, many SEC reporting Japanese companies have omitted Item 6.B.1 disclosure because such information has not been required to be disclosed in Japan and has not otherwise been publicly disclosed. If the proposal is approved with effect for the fiscal year ending March 31, 2010 (as currently proposed) under Item 6.B.1 Japanese companies reporting to the SEC will need to include in annual reports on Form 20-F for fiscal years ending on or after March 31, 2010 individual compensation information disclosed by them as a result of the new requirements (or otherwise) for persons who are their directors or members of their administrative, supervisory or management bodies. The current proposal is only for Japanese companies' annual reports (yuka shoken hokokusho) and other similar disclosure starting from the fiscal year ending March 31, 2010. As such, companies with earlier year-ends would need to comply in the next reporting period. The current FSA proposal does not mandate disclosure of the employment agreements themselves and consequently, they would not be required to be filed as exhibits to Form 20-F unless such agreements were otherwise publicly available. The current FSA proposal limits the compensation disclosure requirement on an individual basis to individuals earning JPY100 million or more, and unless individual information were otherwise publicly available, individual compensation for individuals not covered under the FSA proposal would not need to be disclosed on Form 20-F.

The FSA has announced that it will accept comments from the public on the proposal through March 15, 2010, and issue final revisions soon after. Although the FSA proposal in its current form may trigger a requirement for SEC reporting Japanese companies to provide new disclosure under Item 6.B.1, in most cases we do not believe that such disclosure would need to be more extensive than that being proposed by the FSA.

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If you have any questions regarding the matters covered in this publication, please contact the lawyers listed below or your regular Davis Polk contact.

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This is a summary that we believe may be of interest to you for general information. It is not a full analysis of the matters presented and should not be relied upon as legal advice.