

May 16, 2005

Notice Concerning the Issue of Stock Options (Stock Acquisition Rights)

Company Name: Unipres Corporation

Title and Name of Representative: Hiroyoshi Toriumi, Chairman and President

(Securities Code No. 5949 TSE Second Section)

Contact: Masaru Morita, Director and Executive Vice President

Tel.: 045-470-8250

(URL <http://www.unipres.co.jp/>)

Unipres Corporation passed a resolution at a meeting of its Board of Directors on May 16, 2005, to submit a proposal requesting approval to issue stock acquisition rights as stock options without compensation, pursuant to Articles 280-20 and 280-21 of the Commercial Code of Japan, to the 66th Ordinary General Meeting of Shareholders scheduled for June 29, 2005.

1. Reason for Issuing Stock Acquisition Rights on Advantageous Terms

With the aim of providing further incentive and motivation to improve consolidated performance, Unipres is planning to issue stock acquisition rights to its directors, corporate auditors, corporate advisors, counselors, executive vice presidents, and employees, and to certain directors of its consolidated subsidiaries, in accordance with the “Matters Pertaining to the Issue of Stock Acquisition Rights” described in Item 2 below.

2. Matters Pertaining to the Issue of Stock Acquisition Rights

(1) Persons to whom stock acquisition rights will be allocated

Unipres’ directors, corporate auditors, corporate advisors, counselors, executive vice presidents, and employees, and to those directors of its consolidated subsidiaries, who are designated by Unipres’ Board of Directors

(2) Class and number of shares to be issued for the purpose of granting stock acquisition rights

Up to 700,000 shares of Unipres common stock

In the event that the Company splits or consolidates its common stock after the issue date of the acquisition rights (hereinafter “Issue Date”), the number of shares to be issued for the purpose of granting stock acquisition rights shall be adjusted in accordance with the following formula. Fractions of a share resulting from this adjustment shall be discarded.

$$\text{Adjusted number of shares to be issued} = \text{Pre-adjustment number of shares to be issued} \times \text{Ratio of split or consolidation}$$

When, for unavoidable reasons, it is necessary to adjust the number of shares to be issued for the purpose of granting acquisition rights, such as in the event that the Company reduces its capital, merges, or is split up, the Company reserves the right to adjust the number of shares to be issued within reasonable limits, after taking into consideration the conditions of the capital reduction, merge, or split-up.

(3) Total number of acquisition rights to be granted

Up to 7,000 (Trading Unit)

The number of shares to be issued per acquisition right (hereinafter “Number of Shares Granted”) shall be 100. As for the adjustment of the number of shares to be issued for the purpose of granting acquisition rights described in the above (2), “Number of shares to be issued for the purpose of granting stock acquisition rights” shall be read as “Number of Shares Granted.”

(4) Issue price of acquisition rights

Issued gratis.

(5) Total payment due upon exercise of acquisition rights

The total payment due upon exercising acquisition rights shall be determined by multiplying the price paid per share issued or transferred due to the exercise of acquisition rights (hereinafter “Exercise Price”) by the Number of Shares Granted.

The Exercise Price shall be the higher of either the average daily closing price (hereinafter “Closing Price”)—any fraction shall be rounded up to the nearest yen—, excluding non-trading days, of the Company’s common stock ordinarily traded on the Tokyo Stock Exchange during the month prior to the Issue Date of acquisition rights, or the Closing Price on the Issue Date (or the Closing Price on the immediately preceding day where there is no closing price on the Issue Date).

The Exercise Price shall be adjusted in any of the following cases on and after the Issue Date.

(a) In the event that the Company splits or consolidates its common stock, the Exercise Price

shall be adjusted in accordance with the following formula. Fractions of a yen resulting from this adjustment shall be rounded up to the nearest yen.

$$\text{Adjusted Exercise Price} = \text{Pre-adjustment Exercise Price} \times \frac{1}{\text{Ratio of split or consolidation}}$$

(b) In the event that the Company issues new shares or redeems, retires, or disposes of its own shares at a price below the market price (excluding the exercise of acquisition rights), the Exercise Price shall be adjusted in accordance with the following formula. Fractions of a yen resulting from this adjustment shall be rounded up to the nearest yen.

$$\text{Adjusted Exercise Price} = \text{Pre-adjustment Exercise Price} \times \frac{\text{No. of shares already issued} + \frac{\text{No. of newly issued shares} \times \text{Paid-in price per new share}}{\text{Market price}}}{\text{No. of shares already issued} + \text{No. of newly issued shares}}$$

In the above formula, “No. of Shares Already Issued” shall be defined as the number of shares of common stock issued and outstanding less the number of shares held in treasury. In the event that the Company redeems, retires, or disposes of its own shares, “No. of Newly Issued Shares” shall be read as “Treasury Stock Retired.”

(c) When for unavoidable reasons it is necessary to adjust the Exercise Price, such as in the event that the Company reduces its capital, merges, or is split up, the Company reserves the right to adjust the Exercise Price within reasonable limits, after taking into consideration the conditions of capital reduction, merge, or split-up.

(6) Exercise period of acquisition rights

From July 1, 2007, through June 30, 2013

(7) Other conditions for exercise of acquisition rights

(a) Acquisition rights may not be partially exercised.

(b) Other conditions for exercise of acquisition rights shall be decided at the Company’s Board of Directors Meeting.

(8) Reasons and conditions for canceling acquisition rights

- (a) The Company may cancel acquisition rights acquired and held by it at any time without compensation.
- (b) Should any merger that defines the Company as merged and extinct, or should any exchange or transfer of shares that transforms the Company into a wholly owned subsidiary be approved at an Ordinary General Meeting of Shareholders, the Company may cancel all outstanding acquisition rights without compensation.

(9) Restrictions on transfer of acquisition rights

The approval of the Board of Directors is required to transfer acquisition rights.

Note: The issues described above are subject to approval at the 66th Ordinary General Meeting of Shareholders scheduled for June 29, 2005.