

Articles of Incorporation

Chapter 1

General Provisions

Article 1 (Trade Name)

The trade name of the Company shall be “Matsui Shoken Kabushiki Kaisha,” and in English it shall be “MATSUI SECURITIES CO.,LTD.”

Article 2 (Purpose)

The purpose of the Company shall be to engage in the following businesses:

1. Sale and purchase of securities, market derivative transactions, or foreign market derivative transactions
2. Intermediary, brokerage, or agency services for the sale and purchase of securities, market derivative transactions or foreign market derivative transactions
3. Intermediary, brokerage, or agency services for the entrustment of the sale and purchase of securities or market derivative transactions conducted in a financial instruments exchange market; and intermediary, brokerage, or agency services for the entrustment of the sale and purchase of securities or foreign market derivative transactions conducted in a foreign financial instruments market
4. Over-the-counter transactions of derivatives or the intermediary, brokerage, or agency services thereof
5. Underwriting and secondary distribution of securities
6. Handling of the public offering or secondary distribution of securities, or the private placement of securities
7. Sale and purchase of securities by means of an electronic data processing system, or intermediary, brokerage, or agency services thereof
8. Sale and purchase of negotiable deposits and other monetary claims, or intermediary, brokerage, or agency services thereof
9. Agency services for the payment of earnings, redemption moneys, or cancellation moneys of beneficiary certificates of securities investment trusts
10. Agency business of non-life insurance and solicitation business of life insurance
11. Leasing of real estate owned by the Company
12. Rental and leasing of goods
13. Management consulting
14. Preparation of business programs or sales services and contracting of calculations for other business proprietors
15. Sale and purchase of gold bullion or businesses related to the intermediary, brokerage, or agency services thereof

16. Sale and purchase of assets related to currency and other derivative transactions or the intermediary, brokerage, or agency services thereof
17. Commodity futures trading business
18. Money lending business and other businesses related to loaning money or acting as an intermediary for the lending or borrowing of money, as provided in Article 2, paragraph 1 of the Money Lending Business Act
19. Commodity investment sales business, as provided in the Act on Regulation of Commodity Investment
20. Bank agency services, as provided in the Banking Act
21. Travel business, as provided in the Travel Agency Act
22. Planning and operating of events
23. Provision of information on securities, finance, and personal computers, or advisory services thereof
24. Handling applications for correspondence courses on securities, finance, and personal computers
25. Subscription agency business for long-distance phone services, pay television services, provider services, and portable terminals
26. Credit card business and agency services for the solicitation of credit card membership
27. Handling applications for information services on securities and finance
28. Distribution agent and money collection service related to the distribution agency business by means of the Internet
29. Opening of shopping malls by means of the Internet
30. Advertising agency business
31. Planning, production, and sales of books, magazines, and other printed matters or electronic publications
32. Distribution agent or agency services of personal computers and computer peripheral equipment
33. Other businesses related to the securities business
34. Businesses other than those listed in the preceding items that a securities company is permitted to conduct under the Financial Instruments and Exchange Act and other laws
35. Businesses incidental or related to the preceding items

Article 3 (Location of Head Office)

The head office of the Company shall be located in Chiyoda-ku, Tokyo.

Article 4 (Method of Giving Public Notices)

The public notices of the Company shall be given in electronic form; however, if the Company is unable to give notices in electronic form due to any accident or any other unavoidable reason, the public notices of the Company shall be given by publication in Nihon Keizai Shimbun.

Chapter 2

Shares

Article 5 (Total Number of Authorized Shares)

The total number of shares authorized to be issued by the Company shall be 1,050 million (1,050,000,000) shares.

Article 6 (Acquisition of Own Shares)

The Company may, by resolution of the Board of Directors, acquire the Company's own shares pursuant to Article 165, Paragraph 2 of the Corporation Law.

Article 7 (Number of Shares Constituting One Unit of Shares)

The number of shares constituting one unit of shares shall be one hundred (100) shares.

Article 8 (Rights in Relation to Shares of Less than One Unit)

The Company's shareholders may not exercise the rights for shares of less than one unit that they hold other than those listed below:

- (1) Rights listed in each item of Article 189, paragraph 2 of the Companies Act;
- (2) Rights to make a request pursuant to the provisions of Article 166, paragraph 1 of the Companies Act; and
- (3) Rights to receive an allotment of offered shares as well as offered share acquisition rights in proportion to the number of shares held by the shareholder

Article 9 (Transfer Agent)

The Company shall have a transfer agent.

2. The transfer agent and the location of business thereof shall be designated by a resolution of the Board of Directors, and a public notice thereof shall be given.
3. The preparation and storage of the shareholder register and the share acquisition right register of the Company as well as other administrative services relating thereto shall be outsourced to the transfer agent. The Company shall not handle aforesaid administrations.

Article 10 (Share Handling Regulations)

Handling and fees related to the Company's shares and method of exercising shareholder rights shall be governed by the Share Handling Regulations established by the Board of Directors.

Chapter 3

General Meetings of Shareholders

Article 11 (Convocation of General Meetings of Shareholders)

An annual General Meeting of Shareholders of the Company shall be convened within three months from the last day of each business year. An extraordinary General Meeting of Shareholders shall be convened whenever necessary.

Article 12 (Record Date of Annual General Meetings of Shareholders)

The record date for voting rights at an annual General Meeting of Shareholders of the Company shall be the last day of each business year.

Article 13 (Convener and Chairperson of General Meetings of Shareholders)

Unless otherwise provided by laws and regulations, a Director shall convene a General Meeting of Shareholders and preside thereover in accordance with the order predetermined by the Board of Directors.

Article 14 (Measures for Electronic Provision)

1. When convening a General Meeting of Shareholders, the Company shall provide the contents of the reference documents for the General Meeting of Shareholders in electronic form.
2. Among the items to be provided in electronic form, the Company may exclude all or a part of those items designated by the Ministry of Justice Order from the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date for voting rights.

Article 15 (Method of Resolution)

Unless otherwise provided for by laws and regulations or these Articles of Incorporation, resolutions of a General Meeting of Shareholders shall be adopted by a majority of the votes of the shareholders present at the meeting who are entitled to exercise their voting rights.

Article 16 (Exercise of Voting Rights by Proxy)

1. Shareholders may exercise their voting rights at a General Meeting of Shareholders by appointing one (1) proxy who shall be another shareholder of the Company having voting rights.
2. A shareholder or its proxy must submit to the Company a document evidencing the proxy's authority for each General Meeting of Shareholders.

Chapter 4

Directors and Board of Directors

Article 17 (Number of Directors)

The number of Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed ten (10).

2. The number of Directors who are Audit and Supervisory Committee Members shall not exceed four (4).

Article 18 (Method of Election)

1. Directors shall be elected at a General Meeting of Shareholders by distinguishing Directors who are Audit and Supervisory Committee Members and other Directors.

2. Resolutions for the election of Directors shall be adopted by an affirmative vote of a majority of the voting rights of the shareholders present at a meeting whereby the shareholders holding at least one-third (1/3) of the voting rights of the shareholders entitled to vote at such meeting are present.

3. Resolutions for the election of Directors shall not be conducted by cumulative vote.

Article 19 (Term of Office)

The term of office of a Director (excluding Audit and Supervisory Committee Members) shall expire at the conclusion of the Annual General Meeting of Shareholders for the last business year ending within one (1) year after the election of the Director.

2. The term of office of a Director who is an Audit and Supervisory Committee Member shall expire upon conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within two (2) years from his/her election to office.

3. The term of office of a Director who is an Audit and Supervisory Committee Member and elected to fill a vacancy caused by retirement of a Director who is an Audit and Supervisory Committee Member prior to the expiry of his/her term of office shall be the same as the remaining term of office of the retired Director who is an Audit and Supervisory Committee Member.

4. A resolution for the election of a substitute Director who is an Audit and Supervisory Committee Member elected pursuant to Article 329, Paragraph 3 of the Companies Act, shall remain in effect until the beginning of the Annual General Meeting of Shareholders held for the last business year that ends within two (2) years from the date of such resolution.

Article 20 (Representative Directors)

The Board of Directors shall appoint Representative Director(s) by its resolution from among the Directors (excluding Directors who are Audit and Supervisory Committee Members).

Article 21 (Board of Directors Meetings)

The Company shall have a Board of Directors.

2. Unless otherwise provided for by laws and regulations, a Director shall convene a Board of Directors meeting and preside thereover in accordance with the order predetermined by the Board of Directors.

3. The convocation of a Board of Directors meeting shall be dispatched to each Director at least three (3) days prior to the date of the meeting thereof. However, this period may be shortened in case of urgency.

Article 22 (Delegation of Decisions on Execution of Important Operations)

Pursuant to article 399-13, paragraph 6 of the Companies Act, the Company may delegate all or part of the decisions regarding execution of important operations (excluding matters set forth in items of article 399-13, Paragraph 5 of the Companies Act) to directors by a resolution of the Board of Directors.

Article 23 (Omission of Resolutions of the Board of Directors)

The Company shall deem that resolutions of the Board of Directors have been adopted in cases where the requirements set forth in Article 370 of the Companies Act have been fulfilled.

Article 24 (Regulations of the Board of Directors)

Matters concerning the Board of Directors shall be in accordance with the Regulations of the Board of Directors established by the Board of Directors, unless otherwise provided by laws and regulations and these Articles of Incorporation.

Article 25 (Exemption of Directors from Liability)

1. Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may exempt Directors (including former Directors) through a resolution of the Board of Directors from liabilities stipulated under Article 423, paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

2. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with a Director (excluding an executive Director) to limit liability for damages due to negligence of such Director's duties; however, the maximum liability for damages under such agreement shall be an amount as prescribed by laws and regulations.

Chapter 5

Audit and Supervisory Committee

Article 26 (Establishment of the Audit and supervisory Committee)

The Company shall have an Audit and Supervisory Committee.

Article 27 (Full-Time Audit and Supervisory Committee Members)

The Audit and Supervisory Committee shall, by its resolution, select Full-time Audit and Supervisory Committee Members.

Article 28 (Notice of Convocation of the Audit and Supervisory Committee)

Each of the Audit and Supervisory Committee Members shall be notified of a meeting of the Audit and Supervisory Committee at least three (3) days before the date set for such meeting. However, this period may be shortened in case of urgent necessity.

Article 29 (Regulations of Audit and Supervisory Committee)

Matters concerning the Audit and Supervisory Committee shall be in accordance with the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, unless otherwise provided by laws and regulations and these Articles of Incorporation.

Chapter 6

Accounting Auditors

Article30 (Appointment of Accounting Auditors)

The Company shall have one (1) or more Accounting Auditors.

Article 31 (Election of Accounting Auditor)

Accounting Auditor shall be elected at the General Meetings of Shareholders.

Article 32 (Term of Office of Accounting Auditor)

The term of office of Accounting Auditor shall expire upon conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within one (1) year from their election.

2. Where no resolution to the contrary is adopted at the Annual General Meeting of Shareholders described in the previous paragraph, the Accounting Auditor shall be deemed to have been reappointed.

Chapter 7

Accounts

Article 33 (Business Year)

The business year of the Company shall run from April 1 to March 31 of the following year.

Article 34 (Record Dates for Dividends from Surplus)

The record date for year-end dividends of the Company shall be on the last day of the business year.

Article 35 (Interim Dividends)

The Company may, by resolution of the Board of Directors, distribute interim dividends from surplus with a record date of September 30 every year.

Article 36 (Period of Exclusion Concerning Payment of Dividends)

In cases where the dividend is in the form of money and remains unclaimed for a period of three (3) full years from the date of commencement of payment thereof, the Company shall be exempt from the obligation to pay such dividends.

Additional Provision

Article 1 (Transitional measure regarding exemption of Audit & Supervisory Committee Members from Liability)

Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may exempt Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) through a resolution of the Board of Directors regarding the acts of Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) prior to the conclusion of the 105th annual General Meeting of Shareholders from liabilities stipulated under Article 423, paragraph 1 of the Companies Act to the extent permitted by laws and regulations.