



2007/06/05

To whom it may concern:

Company name: Nagase & Co., Ltd.  
Representative: Hiroshi Nagase,  
Representative Director and President  
Code No. : 8012  
Stock Exchange Listing:  
Tokyo, Osaka (First Section)  
Contact: Kazuhiro Serikawa,  
Corporate Accounting Division  
Phone: 03-3665-3028

Reasoning and Policy behind Lowering of the Investment Unit

a. Reasoning behind lowering the investment unit

The Company recognizes the lowering of the investment unit as one of the valid policies for encouraging the participation of individual investors in the stock market and for improving the liquidity of the Company's stocks.

b. Policy regarding the lowering of the investment unit

In respect to the actual method and timeframe for the lowering of the investment unit, nothing concrete has been determined. However the Company intends to deal with this situation by taking into account its business performance and the market conditions and by carefully considering such factors as the expenses entailed and cost-effectiveness.