

To All Persons Concerned

Tadahito Takahashi, President  
PALTEK Corporation ( Security Code: 7587 )  
2-3-12, Shin-Yokohama Kouhoku-ku  
Yokohama, 222-0033 Japan  
Person in charge : Tadashi Ito,  
Director of Operational  
Services Division  
Tel : 045-477-2000  
URL : <http://www.paltek.co.jp/>

## Notice relating to Conditions of the Issuance of the Stock Options (Stock Purchase Warrants)

This is to advise you that the meeting of the Board of Directors of the Company held on June 9, 2003 has decided the definitive terms and conditions of the issuance of the stock purchase warrants under Articles 280-20 and 280-21 of the Commercial Code of Japan, as approved by the 21st Ordinary General Meeting of Shareholders of the Company

1. Issue date of stock purchase warrants:  
July 1, 2003
2. Number of stock purchase warrants to be issued:  
80 (One stock purchase warrant will entitle the holder thereof to acquire 100 shares)
3. Issue price of stock purchase warrants:  
None
4. Kind and aggregate number of shares to be issued upon exercise of stock purchase warrants:  
80,000 shares of Common Stock of the Company
5. Issue price of stock purchase warrants:  
730 yen per share of the Common Stock of the Company

The exercise price to be paid in upon exercise of each stock purchase warrant shall be the average of the closing price of the shares of the Common Stock of the Company, which is announced by the Japan Securities Dealers Association on each day (excluding any day on which there is no share trading) during the month immediately preceding the month in which the issue date of the stock purchase warrants belongs (July 1, 2003), multiplied by 1.05 and rounded up to the nearest one yen; provided, however, that in the event the average price is lower than the closing price of the shares of Common Stock of the Company on the preceding day of issuance of the stock purchase warrants, the exercise price shall be the closing price on the preceding day of issuance of the stock purchase warrants.

6. Amount to be paid in upon exercise of stock purchase warrants:  
58,400,000 yen
7. Exercise period of stock purchase warrants:  
From July 1, 2006 to June 30, 2008
8. The amount out of issue price of new shares not to be accounted as capital of the Company:  
29,200,000 yen

9. Parties to whom stock purchase warrants will be allocated:  
6 Directors of the Company

Remarks

- (1) Date of resolution at the meeting of the Board of Directors for submission to the 21<sup>st</sup> Ordinary General Meeting of Shareholders of the Company:  
February 18, 2003
- (2) Date of resolution adopted at the 21<sup>st</sup> Ordinary General Meeting of Shareholders:  
March 29, 2003

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Questions concerning this Press Release

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