
2. Outline of EB involved in this case

Reference shares: shares of company

Issuer : overseas financial institution

Seller : domestic second-tier securities house

Issue amount : about ¥1.38 billion

Face value : ¥719,000

Conversion price : ¥719

Issue date : January 29, 2001

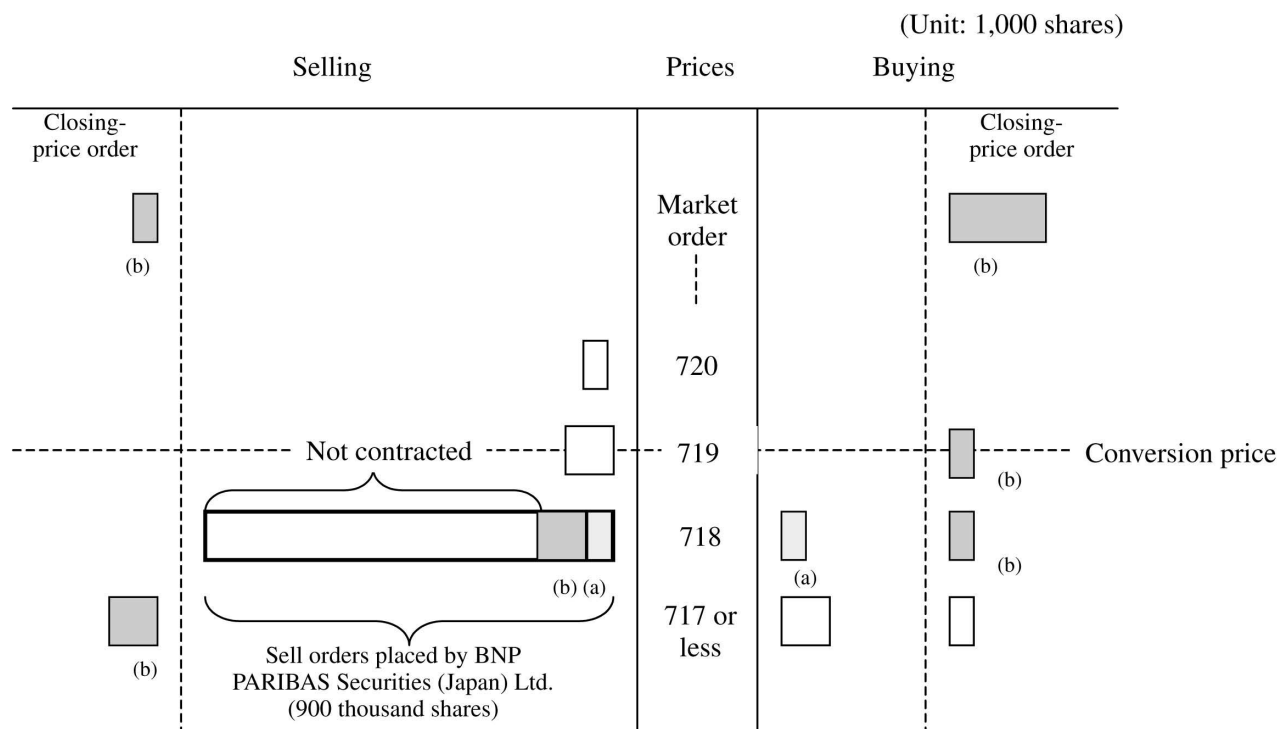
Redemption date : May 24, 2001

Coupon rates : 6.5% per annum

Date when the EB's redemption method is to be determined: May 17, 2001

Share prices used for deciding the redemption method: TSE closing price for the
reference stock on the day for determining the EB
redemption method

3. Formation of an artificial market (outline)



(Note) under a closing-price order, orders are valid only at the time of the market's closing

[Transaction process]

- 1) The reference stock was traded at ¥719 at 14:59, after drawing the highest buy order of ¥718 and the lowest sell order of ¥719 (excluding closing-price orders)
- 2) Under these circumstances, BNP PARIBAS Securities (Japan) Ltd. placed a large quantity of limit sell orders at ¥718, totaling 900,000 shares of the reference stock, at 14:59 and 54 seconds.
- 3) Part of the sell orders were absorbed by buy orders at ¥718, resulting in deals being consummated. After that (a), just before the end of the day's trading, a situation emerged in which the closing price of the reference shares would not equal or exceed ¥719 unless all of the sell orders were absorbed.
- 4) As a result, the reference stock ended that day at ¥718 (b). Deals were not made for most of the sell orders.