

Date : January 30, 2007

Notice Regarding Stock Split and Adjustment of Exercise Price

KEL Corporation at the board of directors meeting held on January 30, 2007 approved to conduct a stock split as follows.

1. Purpose of stock split

The stock split will be conducted to raise liquidity of the shares and expand the shareholder base by reducing investment required and enabling individual investors to purchase KEL stock more easily.

2. Description of stock split

A two-for-one stock split will be conducted on April 1, 2007 (Sunday).

(1) Method of stock split

Shareholders and beneficial shareholders of record on March 31, 2007 (Saturday) will be eligible for the two-for-one stock split (However, it will substantially be on March 30, 2007 as March 31, 2007 will be a holiday for the stock transfer agent).

(2) Increase in number of shares due to stock split

- Number of shares before stock split: 8,043,000 shares
- Newly issued shares due to stock split: 8,043,000 shares
- Number of shares outstanding after stock split: 16,086,000 shares

(3) Increase in number of issuable shares

KEL Articles of Incorporation will be amended on April 1, 2007 (Sunday) pursuant to the provisions in Article 184 Paragraph 2 of the Company Law to increase the total number of issuable shares to 63,000,000 shares by adding 31,046,000 shares to 31,954,000 shares.

3. Schedule

- Record date: March 31, 2007 (Saturday)
- Effective date: April 1, 2007 (Sunday)
- Delivery date: May 18, 2007 (Friday)

4. Other matters concerning the stock split will be determined at a later date by KEL Board of Directors.

5. Adjustment by exercise price of stock options

The exercise price of the Company's stock acquisition rights approved at the Annual Meeting of Shareholders on June 27, 2003 and the exercise price of stock acquisition rights approved at the Annual Meeting of Shareholders on June 29, 2004 will be adjusted as follows. The exercise price will become effective on April 1, 2007 (Sunday).

Issue	Adjusted exercise price	Exercise price before adjustment
Stock options (approved at the Annual Meeting of Shareholders on June 27, 2003)	¥ 376	¥ 752
Stock options (approved at the Annual Meeting of Shareholders on June 29, 2004)	¥ 316	¥ 631

【Supplementary Information】

1. There will be no increase in paid-in capital due to this stock split.

- Paid-in capital as of January 30, 2007: ¥ 1,617,000,000

2. Upon exercise of stock acquisition rights approved at the Annual Meeting of Shareholders on June 27, 2003 and stock acquisition rights approved at the Annual Meeting of Shareholders on June 29, 2004, all treasury shares will be transferred. Therefore, KEL will not issue new shares. For this reason, the description regarding increase in the number of shares due to the stock split will be as mentioned in (2) of Section 2. “Description of stock split”.

3. KEL plans to deliver the information on shares to be issued through stock split and ownership of shares to shareholder’s addresses on May 18, 2007 (Friday). Sale of increased shares held by beneficial shareholders using the securities depositing system will be possible from April 2, 2007 (Monday).