



April 19, 2005

Name of Listed Company: Precision System Science Co., Ltd.
(Code Number 7707)
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Notice of Granting Stock Options (New share subscription right)

Precision System Science (PSS) reached a decision at the board of directors meeting held on today to grant new share subscription rights as stock options stated detail below, under the Japanese Commercial Law Article 280 Section 20 and Article 280 Section 21 and approved at our 19th ordinary shareholders meeting that has been held on September 25th, 2004

1. Issuance Date of Share

April 27, 2005

2. Class and quantity of shares subject to the stock option

456 common shares

A stock option shall provide a right to purchase a share (hereinafter "granted shares").

3. Total number of stock options to be granted

456 shares

4. Issue price of each stock option

The stock options shall be granted and there shall be no charge.

5. Cash requirement at the time of exercising the stock options

TBD

The cash requirement at the time of exercising each stock option shall be the payment amount per Share (hereinafter "exercise price") to be issued or transferred as the result of exercising the options multiplied by the granted shares. The exercise price shall be determined as the average of the daily closing price of PSS' common stock (hereinafter "closing price") of the previous month of the grant date (excluding non-trading days) at Osaka Stock Exchange Nasdaq Japan Market, multiplied by 1.025, and rounded-up the fraction, or the closing price of the grant date (or of most recent previous date to the grant date if there is no closing price on the grant date), whichever higher.

6. Total amounts of Shares issued for Exercise of Share subscription right

TBD

7. Exercising period and Life of the Stock Options

From April 1st, 2007 to March 31st, 2011.

8. Exercising Terms and Conditions of the Stock Option

(a) The optionee shall be required to be a director, auditor or employee of PSS or its subsidiary at the time of exercising the stock option. This requirement shall be waived when the option is to be exercised within a period determined by the PSS' board of directors after the optionee losing the qualification stated above, and the optionee is deceased during the life of the option or the board of directors permits the optionee to exercise the options after his disqualification.

(b) In the event the optionee is deceased during the life of the options, his (or her) heir shall be able to exercise the options after the death of the optionee within the period defined by the PSS' board of directors.

(c) Each option cannot be exercised partially.

9. Amount added to company capital by exercise of share subscription rights

TBD

The company capital by exercise of share subscription rights shall be determined as the exercise price, multiplied by 0.5, in the event the fraction as result of this computation shall be rounded up.

10. Optionees of share subscription rights

15 persons will be granted as optionees, who are currently directors of PSS, its subsidiaries, and their employees.

**NOTE*

(1) Date of the PSS' board of directors meeting to has approved to propose the matter regarding the stock options to the annual shareholders meeting: August 6, 2004

(2) Date of the annual shareholders meeting to has passed and has approved the matter regarding the stock options: September 25t, 2004.