

ETIC Reaches Agreement on Purchase of Debt from Senoh Corporation

June 1st 2010

Enterprise Turnaround Initiative Corporation of Japan

The Enterprise Turnaround Initiative Corporation of Japan (“ETIC”), following its decision on March 26th, 2010 to provide support to Senoh Corporation and related companies (collectively, “the Senoh Companies”) under Article 25, Clause 4 of the Enterprise Turnaround Initiative Corporation of Japan Act (Act 63, of 2009, hereafter “the ETIC Act”) today, under Article 28, Clause 1 of the same act, reached agreement on the purchase of debt owed to Senoh Corporation.

1. Name(s) of persons or companies concerned
Senoh Corporation, Senotech Corporation, Senoh Maintenance Service Corporation, and UpSen Corporation (hereafter collectively “the Senoh Companies”)

2. Amount of debt to be purchased*

	(Million yen)	
Principal value of total debt, etc.	7,787	(A)
Principal value of debt to be purchased	1,031	(B)
Principal value of debt for which financial support has been agreed by financial institutions	6,755	(A—B)

Notes:

- The principal value of debt to be purchased (B) is the amount of debt that will be associated with the operations of a new company (hereafter, “the New Company”) to be formed through a company separation (absorption separation) in line with the revitalization plan. Included in this total are any amounts for which, instead of purchasing debt, ETIC provides the New Company with capital that is used to repay debt owed to financial institutions and others.*
- The principal value of total debt shown is the total as of the time ETIC announced its decision to support and may change during the course of proceedings up to the time of actual debt purchase..*

3. Comments from State Ministers in charge of ETIC
Prime Minister, Minister of Internal Affairs and Communications, Minister of Finance, Minister of Economy, Trade and Industry: *No opinions expressed*

Minister of Health, Labour & Welfare: *“I have no objection to the decision. However, in the process of supporting and directing the implementation of the business revitalization plan, I ask that ETIC ensures that the target companies conform to all laws and regulations and secure sufficient opportunities for discussions with employees.”*

4. Amount of financial support
Debt forgiveness: 4,800 million yen (unchanged from time of decision to support)

5. Treatment of trade and general creditors
This agreement on the purchase of debt involves agreement between ETIC and financial institutions providing loans to the Senoh Companies. There will continue to be no impact on trade and general creditors.

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