

ETIC Resolves to Implement Capital Injection into Yamagiwa Corporation

June 23rd, 2011

Enterprise Turnaround Initiative Corporation of Japan

The Enterprise Turnaround Initiative Corporation of Japan (“ETIC”), concomitant with the agreement reached today on the purchase of debt owed by Yamagiwa Corporation under Article 28, Clause 1 of the Enterprise Turnaround Initiative Corporation of Japan Act (Act 63, of 2009, hereafter “the ETIC Act”), today resolved to implement a capital injection at the company under Article 31, Clause 1 of the same Act.

1. Name of company concerned

Yamagiwa Corporation (hereafter, “Yamagiwa”)

2. Outline of capital injection

Total capital paid in:	¥500 million
Class of share:	Ordinary shares
Number of shares:	10,000 shares
Percentage of shares to be held by ETIC	100% (full amount of capital injection to be provided by ETIC)

Note 1: The amount of “Total capital paid in” recorded above is the total of the following two items: 1) the amount paid to acquire shares in a new company (Yamagiwa Junbi Co., Ltd; hereafter “the New Company”) that, as stipulated under the business revitalization plan, will receive the ongoing operations of Yamagiwa via a company separation, and 2) a capital injection into the New Company.

Note 2: The “Number of shares” recorded above is the total of 1) shares to be transferred to the New Company from Yamagiwa, and 2) shares to be acquired through the capital injection into the New Company.

3. Comments from State Ministers in charge of ETIC

Prime Minister, Minister of Internal Affairs, Minister of Finance, Minister of Economy, Trade and Industry: No opinion expressed

Minister of Health, Labour and Welfare: “I have no objection to the decision. However, I ask that in advising on and guiding the implementation of the corporate revitalization plan,

ETIC should aim to ensure that Yamagiwa Corporation complies with related laws and regulations, and that Yamagiwa Corporation also provides adequate opportunities for substantive discussions with the workforce with due consideration of employment stability and other such factors.”

ENDS