

This press release is for the purpose of publicly announcing the allotment of “New Share Subscription Rights No. 1” by the Company, and not for the purpose of soliciting investment. Shareholders of the Company and investors should carefully review the Prospectus (or the English translation thereof) for the Allotment of New Share Subscription Rights without Contribution prior to making decisions regarding exercise, purchase, sale or lapse of the Subscription Rights at their own risk.

This press release contains certain forward-looking statements, regarding outlooks, forecasts, expectations, plans, targets, etc., in respect of financial conditions or performance of the Company or the Group. These statements are based on the Company’s judgment and understanding at the time of preparation of this press release, and a number of factors could cause the Company’s actual performance or other results to differ materially from those contained in this press release.

This press release is not an offer to sell, or solicitation of any offer to buy, securities in the United States. The allotment of the Subscription Rights has not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Act.

The allotment of the Subscription Rights is exempted from registration pursuant to Rule 801 under the Act. Accordingly, Rule 801 prohibits U.S. residents from transferring the Subscription Rights other than through transactions conducted pursuant to Regulation S under the Act.

This press release is an English translation of the original Japanese press release, prepared solely for the convenience of and reference by overseas investors. If there exist any discrepancies between the original Japanese language and the English translation, the Japanese language will always prevail. Takara Leben CO., LTD. shall not be liable for this translation or any loss or damage arising from this translation.

This allotment of Subscription Rights is for the securities of a foreign company. The allotment is subject to the disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the Prospectus (or the English translation thereof), if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue the foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court’s judgment.

March 5, 2010

To Whom It May Concern:

Company name: Takara Leben CO., LTD.
Representative: Yoshio Murayama,
President and Representative Director
(Code no.: 8897; First Section, Tokyo Stock Exchange)
Please address inquiries to: Tomoya Kitagawa,
Office Manager, Marketing Planning Office
Telephone: +81-3-5324-8720

Notice concerning Allotment of New Share Subscription Rights without Contribution

Takara Leben CO., LTD. (the "Company") today announced that it has resolved at the meeting of the Board of Directors the allotment of new share subscription rights without contribution (the "Free Allotment") today. The details are set forth below.

1. The Purpose of the Free Allotment

(1) Fund Procurement

Since its revision of Mid-Term Business Plan "TAKARALEBEN – BUILDING 2010" on January 26, 2009, the Company, in addition to provide stable supply for its core business of sale of newly built condominium, has actively concentrated its business resources over the renewal business (resale of used condominiums) and resale business (resale of acquired condominiums) in order to expand over the short term the market share to which efficiency is important. Furthermore, the Company has made efforts to stabilize its finances with improved efficiency and profitability by reducing its selling, general and administrative expenses that include appropriate allocation of human resources, office relocation, eliminating and consolidating business sites and reducing compensation for directors.

As a result, due to favorable changes of steadily growth of sales of the real properties in resale and renewal business, discount on sales price were substantially restrained, and the reductions of selling, general and administrative expenses progressed faster than initially expected, the consolidated ordinary income has reached ¥1,804 million and the consolidated net income has reached ¥1,832 million for the nine months ended December 31, 2009. The Company has turned surplus. Although there have been no revisions made to the earnings forecasts announced on October 13, 2009 at this point,

Company's performance has been continuously and firmly improved for the three months ended March 31, 2010 . The Company will make a timely announcement if there are any changes to the Company's performance.

On the other hand, against the upturning environment of the condominium sales, specifically with the impact of fewer real properties becoming available for resale, with respect to the purchase of real properties, sellers have started to seek more prompt transactions. In order to adequately respond to such demands, the Company has resolved to procure funds through the Free Allotment in its belief that the funds will improve liquidity and financial basis, and the improvement will ensure a system that facilitates purchases of real properties with flexible and favorable terms, leading to income growth for the next fiscal year onward.

(2) Reasons for choosing this fund procurement method

Before choosing this fund procurement method, the Company had discussed various methods including both equity and debt financing.

With respect to the fund procurement, there are three concerns: (a) protection of the interests of existing shareholders; (b) increase capital; and (c) realization of large-scale fund procurement. As a result, the Company chose the method of the free allotment as this method satisfies all of the above three concerns. The reasons are listed below.

Furthermore, please refer to the Q&A section for details of the fund procurement method and "New Share Subscription Rights No. 1 Allotment Information Memorandum" (the "Subscription Rights").

(a) Protection of the interests of existing shareholders

By choosing the method of free allotment, it is possible to equally provide the opportunity to all shareholders to support and invest in the Company, while obtaining the understanding from the shareholders regarding the Company's current condition, future business development and its direction. Also, as the number of the Subscription Rights to be allotted corresponds to the number of shares owned, the respective shareholder may avoid his or her shareholding to be diluted by exercising the allotted Subscription Rights.

Furthermore, although free allotment is a method of fund procurement upon exercise of the Subscription Rights from all shareholders, as the Subscription Rights are scheduled to be listed on the Tokyo Stock Exchange (conditioned on the permission of listing from the Tokyo Stock Exchange, same as below), in the event the shareholder has opted not to exercise his or her Subscriptions Rights , the shareholder may make up the losses from

any decrease in share price caused by dilution by selling the Subscription Rights on the market.

In addition, the scheme ensures to avoid disadvantage to shareholders having less than one unit or fractions of less than one share, as one Subscription Right is allotted per share of the Company's common stock, and one share of the Company's common stock will be issued upon exercise of one Subscription Right.

Based on the above, the Company deems free allotment as a method of fund procurement that fully considered the protection of the interests of shareholders.

(b) Increase capital

Against the upturning environment of the condominium sales, specifically with the impact of fewer real properties becoming available for resale, with respect to the purchase of real properties, sellers have started to seek more prompt transactions. In order to adequately respond to such demands, the Company has resolved to procure funds through the Free Allotment in its belief that the funds will improve liquidity and financial basis, and the improvement will ensure a system that facilitates purchases of real properties with flexible and favorable terms, leading to income growth for the next fiscal year onward. Further to the above (a), the Company accordingly chose the method of free allotment.

Compared with debt financing, the Company chose equity financing to raise its capital because if the Company procures all of the funds stated in 4. (1) below via borrowings from financial institutions or issuance of bonds, there is a concern over deterioration of the indicators of Company's financial stability including the equity ratio. Accordingly, it is not necessarily appropriate to adopt debt financing at this point.

(c) Realization of large-scale fund procurement

It is considered, in general, that fund procurement by public offerings or third-party allotments of shares or corporate bonds with share subscription rights are accompanied by such problems as dilution of share value or change of control, so that there is a limit to the amount procurable without adverse impact to the existing shareholders. However, as explained in (a) above, these problems can be avoided to some extent in the case of free allotment, rendering large-scale fund procurement more feasible, depending on the set up of the allotment ratio and the exercise price.

In addition, in contrast with the allotment with contribution, in the case of free allotment, the shareholders who do not intend to make additional contribution may transfer allotted Subscription Rights; and new investors or existing shareholders who intend to obtain the Company's shares may purchase the Subscription Rights. Exercise from both new

investors and existing shareholders who received the allotment of Subscription Rights may lead to the exercise of a greater number of the Subscription Rights.

In light of above, the Company chose the method of free allotment.

* Furthermore, the Subscription Rights are not accompanied by any acquisition clause. Note that the Subscription Rights will lapse if they are neither exercised nor sold at expiration of the exercise period.

2. The Details of the Free Allotment

(1) Procedures of the Free Allotment

Pursuant to "The Allotment of Share Options without Contribution (Article 277 of the Companies Act)," Takara Leben CO., LTD. New Share Subscription Rights No. 1 Allotment will be allotted to the shareholders who are registered or recorded on the share registry as of Wednesday, March 31, 2010 (the "Allotment Record Date"). The shareholders will be allotted one Subscription Right per one share of the Company's common stock.

(2) The Details of the Subscription Rights

1	Name of the Subscription Rights	Takara Leben CO., LTD. New Share Subscription Rights No. 1 Allotment
2	Type and number of shares underlying the Subscription Rights	One Subscription Right per one share of common stock
3	Total number of Subscription Rights	The number of shares issued and outstanding as of the Allotment Record Date minus the number of treasury stock held by the Company
4	Amount of value paid upon exercise of the Subscription Rights (exercise price)	¥300 per share
5	Capital amount to be increased upon exercise of the Subscription Rights	¥150 per share
6	Exercise Period	From May 6, 2010 to May 31, 2010
7	Listing period (scheduled)	From April 1, 2010 to May 26, 2010

* Please refer to the Q&A below for details regarding the exercise of the Subscription Rights.

2. Schedules of the Free Allotment

Date	Event
March 5, 2010	Resolution by the Board of Directors
March 5, 2010	Filing of registration statement
March 5, 2010	Announcement of the Allotment Record Date (scheduled)
March 21, 2010	Effective Date of the registration (plan)
March 31, 2010	Allotment Record Date (scheduled)
April 1, 2010	Effective Date of the Free Allotment (scheduled)
April 1, 2010	Listing of the Subscription Rights (scheduled)
April 16, 2010	Dispatch of prospectus and shareholder notification (scheduled)
May 6, 2010 to May 31, 2010	Exercise Period
To be announced by Tokyo Stock Exchange	Delisting of the Subscription Rights

4. Amount of Funds Procured, Uses of Proceeds, etc.

(1) Amount of funds to be procured (estimated net balance)

Total amount paid	¥4,967,295,300
Estimated issue expenses	¥270,000,000
Estimated net balance	¥4,697,295,300

The above total amount paid represents the total amount to be paid upon exercise of the Subscription Rights, which is an estimate based on the number of shares of the Company issued and outstanding as of March 5, 2010 (excluding the number of treasury stock held by the Company). Total amount paid, estimated issue expenses and estimated net balance will be decreased if certain number of the Subscription Rights were not exercised during the Exercise Period.

(2) Uses of proceeds

All of the above estimated net balance of ¥4,697,295,300 will be used to acquire real properties including used real properties and condominiums under construction for the business of sale of newly built condominium, renewal business (resale of used condominiums) and resale business (resale of acquired condominiums) for the fiscal year ended December 31, 2011.

If the procured fund does not reach the above amount, the above plan will be conducted via cash reserves or borrowings from financial institutions. However, adopting such alternative fund procurement methods may expect a deterioration of the indicators of the Company's financial stability due to the increase of the cost of fund procurement and the increase of the interest-bearing debts.

Immediately after the expiration of the Exercise Period, the amount of procured fund and the use of the proceeds will be announced separately.

5. Rationale of the use of proceeds

The procured fund will be used to acquire real properties including used real properties and condominiums under construction for the business of sale of newly built condominium, renewal business (resale of used condominiums) and resale business (resale of acquired condominiums) and to realize short-term cycle of acquisition and sale (investment and collecting) of real properties. Such acquisition and realization will contribute to the performance of the Company at an earlier stage. Furthermore, due to the increase of shareholder equity upon exercise of Subscription Rights, Company's financial condition will be strengthened.

6. Rational of the terms of issue

In order to limit issuance of fractional shares, one Subscription Right is allotted per one share of the Company's common stock, and one share of the common stock shall be issued upon exercise of each Subscription Right.

The exercise price has been set at ¥300 (58.0% of the closing price of one share of the Company's common stock on the day preceding the date of resolution for the allotment of the Subscription Rights). This price was determined in overall consideration of factors including the estimated demands required to expand and develop real estate sales business, the estimated number of shares to be issued upon exercise of the Subscription Rights as well as the possibility of existing shareholders' exercising the Subscription Rights (in order for the general shareholder can exercise the Subscription Rights, the exercise price was set much lower than the market price).

7. Impact on Business Performance

The above proceeds will be used for the next fiscal year, and there should be no impact on business forecasts for the current fiscal year.

8. Dilution Arising from Potential Shares

The total number of the Company's common stock issued and outstanding is 17,540,333 as of March 5, 2010, and among those, 982,682 shares are held by the Company as treasury shares. If all of the Subscription Rights are exercised, 16,557,651 shares of the common stock will be issued. Accordingly, the ratio of the number of issuing shares underlying the Subscription Rights to the total number of shares issued and outstanding is 94.4%.

The fund procurement by the allotment of the Subscription Rights enables the Company to improve its liquidity and financial base, and to make its property purchase terms more flexible and favorable. As a result, the Company will obtain profit-earning opportunities from its business of condominium sale and its resale business, and may realize larger profitability that would contribute to the shareholders' interests.

As stated in 1(2)(a) above, the Subscription Rights will be allotted to all shareholders in proportion to the shares they hold. Therefore, shareholders' equity ratio will not be diluted as long as the shareholders exercise all their allotted Subscription Rights. Please note, however, that equity ratio may be diluted if such shareholder does not exercise all or a part of his or her allotted Subscription Rights.

Shareholders who do not wish to receive the Free Allotment shall have the opportunity to avoid or reduce in advance the loss, in part or in full, arising from the dilution by selling their shares on the market by three business days prior to the Allotment Record Date

of the Subscription Rights (the last trading date for the Subscription Rights attached shares) (see 3. above.)

Furthermore, as the Subscription Rights are to be listed on the Tokyo Stock Exchange, shareholders who do not intend to exercise their Subscription Rights shall have the opportunity to make up the losses, in part or in full, arising from dilution by selling their Subscription Rights on the market.

Accordingly, the allotment of the Subscription Rights is a method of fund procurement in order to increase the Company's corporate value. In addition, the Company has given fully consideration to avoid any economic disadvantage for the existing shareholders. As a result, the Company has concluded that the number of shares to be issued and the extent of possible dilution are reasonable.

Status of number of shares issued and outstanding and number of potential shares (as of March 5, 2010)

	Number of shares	Ratio to shares issued and outstanding
Number of shares issued and outstanding	17,540,333	100%
Current number of potential shares	—	—
Current number of treasury stock	982,682	5.6%
Number of potential shares underlying the Subscription Rights	16,557,651	94.4%

*The number of shares to be issued will be decreased if certain Subscription Rights are not exercised during the Exercise Period.

9. Scheduled Exercise of Rights by the Principal Shareholders

The Company was informed by Yoshio Murayama, its principal shareholder and its President and Representative Director, that he plans to exercise a part or all of his allotted Subscription Rights. Mr. Murayama will exercise 2,000,000 Subscription Rights by using cash reserve, and plans to exercise the remainder of his allotted Subscription Rights by using proceeds from selling a part of the allotted Subscription Rights or a part of his shares of the Company's common stock after the taxes and expenses.

Major Shareholders and Percentages of Their Shareholdings

Before Allotment (as of September 30, 2009)		After Allotment	
Yoshio Murayama	35.58%	Yoshio Murayama	36.61%
Takara Leben CO., LTD.	5.60%	Takara Leben CO., LTD.	2.88%
Japan Securities Finance CO., LTD	2.40%	Japan Securities Finance CO., LTD	2.47%
Murayama Planning Co.	2.13%	Murayama Planning Co.	2.20%
Sumitomo Mitsui Banking Corporation	1.68%	Sumitomo Mitsui Banking Corporation	1.73%
Takara Leben Client Stock Ownership	1.37%	Takara Leben Client Stock Ownership	1.41%
Shigeko Murayama	1.36%	Shigeko Murayama	1.40%
Mizuho Securities Co., Ltd.	1.14%	Mizuho Securities Co., Ltd.	1.18%
STATE STREET BANK AND TRUST COMPANY 505041 (Standing Agent: Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	0.94%	STATE STREET BANK AND TRUST COMPANY 505041 (Standing Agent: Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	0.97%

Takara Leben Group Employee Shareholding Association	0.89%	Takara Leben Group Employee Shareholding Association	0.92%
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* The ratios after allotment are based on the exercise of all Subscription Rights.

10. Profit Distribution to Shareholders, etc.

(1) Fundamental policy on profit distribution

The Company places priority on profit distribution to shareholders. While retaining necessary funds for business development and for improving business performance, the Company has the fundamental policy of striving to sustain stable levels of dividends based upon the Company's performance.

(2) Basis for dividend decisions

Dividend levels are set with priority on long-term stability rather than short-term optimization, based on a comprehensive evaluation of dividends on equity (DOE) and dividend yield, rather than focusing exclusively on dividend payout ratio levels. We intend to continue with this policy following the implementation of the current financing.

11. Three-Year Summary of Business Performance and Equity Finance Status, etc.

(1) Three-year summary of business performance (consolidated)

	Year ended March 31, 2007	Year ended March 31, 2008	Year ended March 31, 2009
Consolidated Sales	¥58,007 million	¥64,778 million	¥57,652 million
Consolidated operating income	¥6,174 million	¥7,272 million	(¥8,751 million)
Consolidated ordinary income	¥5,626 million	¥6,205 million	(¥9,787 million)
Consolidated net income	¥3,157 million	¥3,506 million	(¥12,471 million)
Consolidated net income per share	¥187.77	¥210.34	(¥753.21)
Cash dividends per share	¥22.00	¥24.00	¥12.00
Consolidated net assets per share	¥988.59	¥1,166.76	¥387.80

(2) Equity finance activities for the last three years

Not applicable

(3) Recent share price

(a) Three-year summary (year-end)

	Year ended March 31, 2008	Year ended March 31, 2009	Year ending March 31, 2010
Opening price	¥1,804	¥1,675	¥536
High	¥2,065	¥1,687	¥697
Low	¥1,510	¥518	¥135
Closing price	¥1,668	¥542	¥170

(b) Six-month summary

	September	October	November	December	January	February
Opening price	¥335	¥365	¥571	¥510	¥588	¥638
High	¥521	¥725	¥632	¥637	¥682	¥647

Low	¥320	¥352	¥473	¥502	¥579	¥507
Closing price	¥370	¥591	¥500	¥588	¥678	¥511

(c) Share price on the day preceding the date of resolution for issuance

	March 2, 2010
Opening price	¥528
High	¥529
Low	¥517
Closing price	¥517

* The Free Allotment is an allotment of the issuance of one share upon exercise of one Subscription Right. It is not an allotment that became available due to the amendment of the Tokyo Stock Exchange Regulation in December of 2009.

New Share Subscription Rights No. 1 Allotment Information Memorandum

1. Name of new share subscription rights

Takara Leben CO., LTD. New Share Subscription Rights No. 1 (the "Subscription Rights")

2. Allotment method of the Subscription Rights

The Subscription Rights shall be allotted by the method of allotment without contribution, whereby one Subscription Right is being allotted per one common share of the Company held by the respective shareholder (other than the Company's treasury shares) that are registered or recorded in the Company's shareholder registry as of March 31, 2010 (the "Allotment Record Date").

3. Total number of the Subscription Rights

Total number of the Subscription Rights shall be the number of issued shares of the Company's common stock deducting the number of the Company's treasury shares as of the Allotment Record Date.

4. Effective Date of the Allotment of Subscription Rights without Contribution

April 1, 2010

5. Description of the Subscription Rights

(1) Type and number of underlying shares of the Subscription Rights

One share of the common stocks of the Company shall be issued for each Subscription Right.

(2) Amount to be paid in upon exercise of the Subscription Rights

300 yen shall be paid for one Subscription Right upon its exercise.

(3) Exercise Period of the Subscription Rights

The period shall be from May 6, 2010 to May 31, 2010.

(4) Increase in common stock and capital reserve upon exercise of Subscription Rights and issuance of new shares

(i) The amount of capital to be increased upon exercise of Subscription Rights and issuance of new common shares shall be equivalent to one half of the maximum amount of capital increase calculated in accordance with Article 17 Section 1 of the Corporate Calculation Rules, with any fraction of less than one yen as a result of such calculation rounded up to the nearest one yen.

(ii) The amount of capital reserve to be increased upon exercise of the Subscription Rights and issuance of new common shares shall be the maximum amount of capital increase minus the amount of capital increased, as referred to in above (i).

- (5) Restriction on the transfer of Subscription Rights
Approval of the Board of Directors of the Company is not required for transferring the Subscription Rights.
- (6) Condition on exercise of the Subscription Rights
None of the Subscription Rights shall be partially exercised.(7) Acquisition clause to the Subscription Rights
No acquisition clause is required
6. Application of the laws relating to Book-entry Transfer of Company Bonds and Shares.
Each and all of the Subscription Rights are subject to the Article 163 of the Act on Transfer of Company Bonds and Shares, relating to the book-entry transfer of company bonds (Law No. 75, 2001, including the amendments thereto. Hereinafter, the “Act on Transfer of Company Bonds”), and the certificates for the Subscription Rights may not be issued, except for such cases provided by Article 164 Section 2 of the Act on Transfer of Company Bonds. Handling of the Subscription Rights must follow the operation rules and other procedures concerning transfer of shares of the transfer agents.
7. Exercise Agent of the Subscription Rights
The Chuo Mitsui Trust and Banking Company, Limited, Head Office
3-33-1, Shiba, Minato-ku, Tokyo
8. Payment Handling Bank for exercise of Subscription Rights
2-21-1 Kanda Jinbo-cho, Chiyoda-ku, Tokyo
Sumitomo Mitsui Banking Corporation, Chiyoda Banking Center
9. Procedures to exercise Subscription Rights
(1) A holder of the Subscription Rights (the “Holder”) who intends to exercise the Subscription Rights may notify such intent and make payments to the “Agent” (a transfer agent or an account management agent with which the Holder may open his/her account for transfer of the Subscription Rights.
(2) Those who notify their intent to exercise the Subscription Rights to the Agent may not withdraw the notification thereafter.
10. Transfer Agent
Japan Securities Depository Center, Inc.

11. Others

- (1) Each of the above clauses shall be subject to the effectiveness of the registration of the allotment of the Subscription Rights required by the Financial Instruments and Exchange Act.
- (2) Matters other than above shall be subject to the discretion of the president and representative director of the Company.

Q&A

1. Basic Mechanism of the allotment of new share subscription rights without contribution (the “Free Allotment”)

- (1) Q) Please provide an overview of the Free Allotment.
- A) The Free Allotment is one method by which stock companies procure funds, and refers to the New Share Subscription Rights (the “Subscription Rights”) for the common shares of a company. In our case, one Subscription Right will be allotted for one share of the Company’s common stock, and upon exercise of one Subscription Right, one of the Company’s common shares will be issued. A Subscription Right shall be granted free of charge per one share held by the respective shareholder as of the allotment record date. When the exercise price is paid for the granted Subscription Rights during the exercise period, the Company’s common shares will be issued. As the Subscription Rights will be listed on the market they may be traded on the market during the time that they are listed. Moreover, during the time that the Subscription Rights are listed, the Company’s common shares may also be traded.

- (2) Q) What is a Subscription Right?
- A) The person holding a subscription right shall have the right to receive issued new shares or granted treasury stock from the issuing company upon payment of exercise price (the amount to be paid for one of the company’s common shares upon exercise of the subscription rights) during the exercise period.
- For details of exercise prices and exercise period with respect to the Subscription Rights, please refer to the Company’s “Notice Concerning Allotment of New Share Subscription Rights without Contribution” dated March 5, 2010.

- (3) Q) Please provide an overview of the listing of Subscription Rights.
- A) Subscription Rights will be allotted free of charge to the shareholders who are registered or recorded on the latest shareholders registry as of Wednesday, March 31, 2010, which is the Allotment Record Date for the Subscription Rights. Additionally, from Thursday, April 1, 2010, the business day following the Allotment Record Date, the Subscription Rights will be listed on the Tokyo Stock Exchange, and may be traded on the market (the code number for the Subscription Rights will be [8897-9]). The date of delisting will be announced by the Tokyo Stock Exchange.

- (4) Q) What are the options when one has been allotted the Subscription Rights?
- A) When one has been allotted the Subscription Rights, he/she may conduct one of the following: exercise, sell or let the Subscription Rights lapse.

If one chooses to exercise the Subscription Rights, the Company’s common shares may be acquired upon payment of the exercise price (¥300 per share).

If one chooses to sell the Subscription Rights, the sum of their execution price on the market minus sales commissions may be gained, but the Company’s common shares cannot be acquired.

If one chooses not to sell or exercise the Subscription Rights during the exercise period, the Subscription Rights will lapse. If one chooses to let the Subscription Rights lapse, he/she cannot acquire either the Company’s common shares or the value from the sale of the Subscription Rights.

It should be noted that the above is one of general explanations as to the Subscription Rights, and the decision with respect to whether or not exercise, sell and lapse the Subscription Rights must be made based on the shareholder’s own investment judgment. As the Company may not give any investment advice whatsoever concerning the Subscription Rights, we ask that each shareholder refer to the prospectus and take responsibility for making investment decisions pertaining to the Subscription Rights.

- (5) Q) What options do the shareholders holding less than one unit of common shares have?

- A) A shareholder of less than one unit of common shares shall be allotted less than 100 of the Subscription Rights, and therefore may not trade such Subscription Rights on the markets (However, there is no such restriction on the units when the Subscriptions Rights are traded off-market.) Please note that the Company's common shares may be acquired upon exercising one Subscription Right. The trading unit for the Company's common shares on the market is 100 shares. Please refer to 3 (1) for exercise of the Subscription Rights and 4 (2) for trade of the same on the market.
- (6) Q) Please provide an overview of ex-rights for the Company's common shares resulting from the Free Allotment.
 A) With this Free Allotment, ex-rights will be reflected in the Company's common share price from Monday, March 29, 2010, separately from the year-end dividend.
- For your information, in the "Regulations Concerning Bid/Offer Price Limits" of the Tokyo Stock Exchange, the basic price is calculated as follows: [(closing price, cum rights – dividend + price paid for new share) ÷ (1 + the new-share allotment rate)]. For example, if the closing price of the Company's common shares on Friday, March 26, 2010 (last day, cum rights) is ¥600, then the basic price would be ¥444 [(600) – 12 + (300)÷(1 + 1)].
- (7) Q) If the Subscription Rights are not exercised, will it affect the Company's results this year?
 A) As the plan is to appropriate the funds for the next fiscal year, the result of fund procurement will not affect this year's earnings forecast.
- (8) Q) Will the major stockholders be exercising their Subscription Rights?
 A) The Company was informed by Yoshio Murayama, its major shareholder and its President and Representative Director, that he plans to exercise a part or all of his allotted Subscription Rights. Mr. Murayama will exercise 2,000,000 Subscription Rights by using cash reserve, and plans to exercise the remainder of his allotted Subscription Rights by using proceeds from selling a part of the allotted Subscription Rights or a part of his shares of the Company's common stock after the taxes and expenses .
- Except for Mr. Murayama, the Company has no information regarding whether other major shareholders will exercise the Subscription Rights.
- (9) Q) If the Company's common shares are issued all at once through the exercise of Subscription Rights, won't the share value be greatly diluted?
 A) As the Subscription Rights are allotted in accordance with the number of the Company's common shares that each shareholder possesses, we believe that each shareholder's equity rate will not be diluted if the shareholder exercises the allotted Subscription Rights.
 In addition, with this Free Allotment, ex-rights will be reflected in the price of the Company's common shares from Monday, March 29, 2010. As the Subscription Rights will be listed on the Tokyo Stock Exchange, if a person holding Subscription Rights does not intend to exercise the rights, then he/she may sell these rights in the market.
- (10) Q) How will cumulative stock investments and mini shares be handled?
 A) Shareholders are asked to consult with their account management institutions (the brokerages at which they have their brokerage accounts; the same definition applies hereinafter) about the handling of cumulative stock investments and mini stock investments.
- (11) Q) For the Company's common shares acquired through the exercise of Subscription Rights, will it be possible to collect the year-end dividend for the year ended March 31, 2010?
 A) Although the date of record that will apply to the year-end dividend for the year ended March 2010 is March 31, 2010, the exercise period for Subscription Rights will start on Thursday, May 6, 2010. Thus, this year-end dividend may not be collected for the Company's common shares acquired through the exercise of the Subscription Rights.
- (12) Q) Are there restrictions on the allotment, exercise and transferring of the Subscription Rights that apply to shareholders residing overseas?

A) There are possible restrictions on the allotment, exercise and transferring of the Subscription Rights for the shareholders residing overseas under applicable laws. Therefore, we ask that all of our shareholders who reside overseas to consult with attorneys or the like concerning the applicable laws.

(13) Q) What are the special benefits for shareholders?

A) A special benefits plan for shareholders was newly established on October 26, 2009. Among the shareholders who are registered or recorded on the shareholder registry as of March 31 of every year, two certificates for rice (amounting to 2kg) are sent to the shareholders possessing over 100 but under 1,000 shares. Shareholders possessing 1,000 or more shares are sent five certificates for rice (amounting to 5kg). The plan will be continued as described at this point.

2. Allotment of Subscription Rights

(1) Q) How many Subscription Rights will be allotted?

A) The number of Subscription Rights allotted will be the same as the number of the Company's common shares held by each of the shareholders registered or recorded on the latest shareholders registry as of the Allotment Record Date.

(2) Q) What does one need to do to receive the Free Allotment?

A) As the Allotment Record Date for the Subscription Rights is Wednesday, March 31, 2010, if your name has been registered or recorded on the latest shareholders registry as of that date, no particular procedures are required for you to receive the Free Allotment. Also, the last selling date of the shares with the Subscription Rights will be Friday, March 26, 2010. As the Subscription Rights will be allotted free of charge, there is no payment necessary for the allotment. When exercising the Subscription Rights, you will pay an exercise price. (Please see 3 (4), below.)

(3) Q) How will we receive our Subscription Rights?

A) Subscription Right certificates will not be issued for the Subscription Rights. The Company understands that, generally, on the business day that follows the Allotment Record Date, which is Wednesday, March 31, 2010, the balance of the Subscription Rights will be recorded in the brokerage accounts of each of the shareholders registered or recorded on the latest shareholders registry as of the Allotment Record Date. For the purpose of confirmation, the shareholder shall ask their account management institution about the procedures.

(4) Q) Following the Free Allotment, what, where and when documents will be sent?

A) About three weeks after the Allotment Record Date for the Subscription Rights, a prospectus of issuance pertaining to the Subscription Rights and a shareholder allocation notice, etc, will be sent out to the address of each shareholder registered or recorded on the latest shareholders registry as of the Allotment Record Date.

(5) Q) Can the Subscription Rights be allotted for treasury stock?

A) Under Article 278, Paragraph 2 of the Companies Act, the Subscription Rights cannot be allotted for treasury stocks in possession of this Company

3. Exercise of the Subscription Rights

(1) Q) How many shares will be received after having exercised Subscription Rights?

A) You will receive one of the Company's common shares upon exercising one Subscription Right. Upon payment of exercise price (¥300 per share) when exercising a Subscription Right, you can receive the same number of the Company's common shares as the number of Subscription Rights you exercised. The number of Subscription Rights that can be exercised begins with one.

(2) Q) Until when will it be possible to exercise the Subscription Rights?

A) The period for exercising the Subscription Rights will be from Thursday, May 6, 2010 through

Monday, May 31, 2010. However, the period for accepting claims for exercising the Subscription Rights can differ for each account management institution. Thus, we ask that everyone with the Subscription Rights shall check with their account management institutions with respect to the last day for accepting claims for exercising these rights.

- (3) Q) What procedures do we need to follow in order to exercise the Subscription Rights?
A) When exercising the Subscription Rights, everyone will need to fill out the required items on the prescribed exercise claim form and submit it to their account management institution. Subscription Rights that have been recorded on a special account can be exercised after being transferred to a brokerage account. As procedures may vary for each account management institution, everyone with the Subscription Rights will need to inquire with their account management institution about their particular procedures.

Please note that the exercise agent of the Subscription Rights described in the New Share Subscription Rights No. 1 Allotment Information Memorandum may not accept claims of exercise that are directly from those holding the Subscription Rights.

- (4) Q) Where can we obtain exercise claim forms for exercising the Subscription Rights?
A) Exercise claim forms can be obtained at the account management institutions of all shareholders and parties with the Subscription Rights. In addition, the forms will be sent out, about three weeks after the Allotment Record Date, to all shareholders' address registered or recorded on the latest shareholders registry as of the Allotment Record Date.

- (5) Q) How should the cost of exercising the Subscription Rights be paid?
A) The cost is to be paid directly to the account management institutions of those holding the Subscription Rights.

As the method of payment of exercise price will differ for each account management institution, please inquire with your account management institutions about their specific payment methods.

- (6) Q) When will the shares be available?
A) On the third business day after a claim for exercising Subscription Rights has been made and the exercise price has been paid, the balance of the Company's common shares to be issued to the brokerage accounts at the account management institutions of those holding the Subscription Rights will be recorded. As of said day, trading on the Tokyo Stock Exchange will be possible. However, procedures will vary for each account management institution, so we ask those with the Subscription Rights to inquire with their institution about the procedures.

- (7) Q) What expenses will be generated by exercising Subscription Rights?
A) The expenses generated in connection with exercising the Subscription Rights will vary for each account management institution. Thus, we ask everyone with the Subscription Rights to inquire with their institution about the expenses.

4. Trading The Subscription Rights

- (1) Q) What procedures are necessary for trading the Subscription Rights on the market?
A) With respect to trading the Subscription Rights on the market, it will be possible for everyone who holds such rights to trade through their account management institution. However, account management institutions will differ in terms of the specific procedures for trading these rights. For the purpose of confirmation, we ask every shareholder and those who have the Subscription Rights to inquire their account management institution about the trading procedures.
- (2) Q) What will the market trading unit be for the Subscription Rights?
A) The trading unit will be the same as the unit for the Company's listed common shares: 100. The trading of under 100 Subscription Rights cannot be conducted on the market.

- (3) Q How much is the Subscription Rights when sold on the market?
 A) Subscription Rights is the sum of their market price minus the commission.
- (4) Q When the Subscription Rights are sold on the market, when will the payment be received?
 A) Three business days after the date on which these rights are sold, payments will be made to the brokerage accounts at account management institutions of those persons holding the Subscription Rights. However, account management institutions will vary in how they handle the specific procedures for the sale of the Subscription Rights. For the purpose of confirmation, those persons who hold the Subscription Rights should ask their account management institution about the procedures.
- (5) Q What are the expenses for trading the Subscription Rights on the market?
 A) The expenses for market trading of the Subscription Rights will be the commissions which are to be paid to the account management institutions of those holding the Subscription Rights.(Persons holding with these rights should ask their account management institution about the specific amount of the commission.)
- (6) Q When the Subscription Rights have been acquired through market trading, what kinds of procedures must be followed to exercise the rights?
 A) Subscription Rights acquired on the market will be transferred three business days after the day following the payment date. The procedure for exercising such Subscription Rights will be the same as for the rights that were initially allotted; please see above 3 (3). However, the procedure will vary for each account management institution. Therefore, persons holding these rights should ask their institution about the necessary procedures for confirmation.
- (7) Q Can the Subscription Rights be transferred?
 A) The Subscription Rights can be transferred through market trading. However, there are possible restrictions on the allotment, exercise and transferring of the Subscription Rights for the shareholders residing overseas under applicable laws. Therefore, we ask all shareholders residing overseas to consult with attorneys and the like about the applicable laws.

5. Taxes

With respect to the tax treatment of the Subscription Rights, the Company understands as follows. However, with respect to the tax treatment and the treatment of the securities account, each shareholder and those who hold the Subscription Right shall, at their own risk, confirm with their certified tax accountant and the like and their account management institution. For shareholders residing overseas, there are possible different tax treatment under applicable laws. We ask each shareholder residing overseas to consult with attorneys, certified tax accountants and the like about the applicable laws.

- (1) Q Will the Subscription Rights go into a special account or a general account?
 A) No matter the Company's common shares that each shareholder possesses are recorded in a special account or a general one, we understand that the allotted Subscription Rights will go into a general account.

In addition, we understand that the common shares of the Company that were acquired by exercising the Subscription Rights allotted for common shares in a special account will go into a special account. Common shares of the Company that were acquired by exercising the Subscription Rights allotted for common shares in a general account will go into a general account.

- (2) Q What about the taxes pertaining to the transfer of the Subscription Rights?
 A) As the Subscription Rights will be acquired through free allotment, we understand that, as a rule, their book value will be ¥0, and the entire transfer price will be taxable. When a sale of the Subscription Rights on the market is made or consigned to financial products traders and the like, we understand that the tax rate for gains from transfers will be 10% (7% income tax, 3% residence tax) and will be a special case under tax law (pursuant to the 2008 tax system revision). Also, we understand that the stipulations for reduced tax rates will be applied to both special accounts and

general accounts.

- (3) Q) When the Subscription Rights have gone into a general account, will they need to be declared on a tax return?
A) Yes. Please note that we understand that they will need to be declared on a tax return.
- (4) Q) How much will the book value be for shares acquired from exercising the Subscription Rights?
A) We understand that the book value for one common share issued through the exercise of the Subscription Rights will be the exercise price. In addition, we understand that ex-rights will be reflected on the price for the Company's common shares from Monday, March 29, 2010, but will not be reflected in the acquisition cost.

Please direct inquiries regarding these questions and answers to:

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