

IRCJ announces completion of support for K.K. Okunikko Konishi Hotel

Tokyo, November 28, 2005 – The Industrial Revitalization Committee of the Industrial Revitalization Corporation of Japan (“the IRCJ”) today approved the conclusion of support to K.K. Okunikko Konishi Hotel (“Okunikko Konishi Hotel”). As well as concluding the receipt of payment in full for debt purchased from financial institutions as part of a business revitalization plan for Okunikko Konishi Hotel, support was terminated without the implementation of the originally planned capital injection (including convertible bonds).

1. Name of company concerned

K.K. Okunikko Konishi Hotel

2. Process to date

On February 3, 2005 the IRCJ approved an application for assistance by Okunikko Konishi Hotel under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On March 25 of the same year, under Article 25, Clause 1 of the same act, the IRCJ reached agreement with financial institutions on the purchase of this company’s debt.

The IRCJ has carried out revitalization of the business operations of Okunikko Konishi Hotel in conjunction with the company’s main financial institution, the Ashikaga Bank, Ltd., the operations revitalization subcontractor Tochigi Investment Partners Co., Ltd. (“TIP”), and Ryokan Management Support Co., Ltd., as well as others. However, prior to the IRCJ and TIP carrying out a capital increase that had been included in the revitalization plan, GRB Investment Inc. (“Delaware, U.S.; “GRB”) expressed an intention of taking over the management of the company and were appointed a new sponsor by the interested parties.

Note: GRB is an investment company established by G. R. Baker, formerly Japan representative of Dow Chemical.

3. Amount of Debt

The principal value of Okunikko Konishi Hotel’s debt was ¥1 million, for which the IRCJ paid ¥43,000 to financial institutions. In accordance with the revitalization ¥954,000 was handled in a debt forgiveness scheme and payment in full of the remaining ¥46,000 was received in June 2005.

4. Comment from the state ministers in charge of the Industrial Revitalization Corporation of Japan

None expressed

For more information, please contact

Corporate Planning Department
The Industrial Revitalization Corporation of Japan
Tel: 03-6212-6437

#

About the IRCJ

The IRCJ was established jointly by the public and private sector on April 16, 2003, with the aim of providing revitalization assistance to both the industrial and the financial sectors in Japan. It targets assistance at companies that have sound business fundamentals but are unable to thrive because of excessive debt levels or other factors. The IRCJ has approximately 200 employees and is based in Tokyo. For more information please visit www.ircj.co.jp