

IRCJ to sell equity held in Kyushu Industrial Transportation Co., Ltd.

Tokyo, July 25, 2005 – The Industrial Revitalization Corporation of Japan (“the IRCJ”) has resolved to sell the equity it holds in Kyushu Industrial Transportation Co., Ltd. (“Kyushu Transportation”).

1. Background

On August 28, 2003 the IRCJ approved an application for assistance by Kyushu Transportation under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On November 27 of the same year the IRCJ reached agreement on the purchase of Kyushu Transportation’s debt under Article 25, Clause 1 of the same act, and in February 2004 a capital decrease and subsequent recapitalization was implemented. Since then, the IRCJ has been supporting the target company in a number of ways. A certain amount of progress has been made toward revitalization, enabling the IRCJ to begin preparations for the sale of its equity. Following a decision to sell equity held in Kyushu Transportation, an agreement was completed with H.I.S.-H.S. Kyushu Industrial Transportation Investment Partnership (“H.I.S.-H.S. Kyushu”), the recipient company jointly set up by H.I.S. Co., Ltd. and H.S. Securities Co., Ltd. IRCJ will complete the sale of equity by the end of September 2005 through accepting a takeover bid for H.I.S.-H.S. Kyushu

2. Capital amounts, etc.

The IRCJ, through a capital injection of ¥350 million and a partial debt-equity swap (amounting to around ¥350 million), currently holds ordinary shares amounting to 67.03% of voting rights in Kyushu Transportation. Following this sale, the IRCJ will retain no shares in Kyushu Transportation.

3. Comment from the State Ministers in charge of the Industrial Revitalization Corporation of Japan

None expressed.

Note on comments from ministers: The IRCJ is a quasi-governmental organization. As such the IRCJ is required to obtain comments from the government ministers in charge of the IRCJ about decisions to assist or engage in other initiatives relating to private sector companies.

For more information, please contact

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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 beneficial 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