

IRCJ reaches agreement on purchase of OCC Corporation debt

Tokyo, September 22, 2004 – Following its approval on August 6, 2004 of an application for assistance by OCC Corporation (“OCC”) under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003, the Industrial Revitalization Corporation of Japan (“the IRCJ”) today, under Article 25, Clause 1 of the same act, reached agreement with financial institutions on the purchase of this company’s debts.

Note: This agreement on the purchase of debt means that agreement has been reached between the necessary financial institutions and the IRCJ in respect of either a) sale of debt by the financial institutions concerned to the IRCJ at market price or b) financial support by the financial institutions concerned (for example debt forgiveness while continuing to hold the balance of debt, debt equity swaps, etc.). Any decision by the IRCJ to purchase the debt of companies it has approved for assistance is only made at a point when it is evident that the revitalization plan of the business concerned can be progressed as planned.

1. Name of company concerned

OCC Corporation

2. Amount of debt to be purchased

	(Million yen)	
Principal value of total debt	37,773	(A)
Principal value of debt to be purchased as per note a) above	12,147	(B)
Principal value of debt for which financial support to be provided by financial institutions as per note b) above	25,626	(A-B)

* The actual amount of debt purchased may change between this announcement and completion of the purchase.

3. Amount of financial assistance

Debt forgiveness	¥28,000 million (Unchanged from time of decision to support.)
Debt—equity swap (DES)	¥1,000 million

4. Schedule

Late September 2004	Meeting of board of directors of OCC to approve reduction of capital, share consolidation, and recapitalization.
Late October 2004	Injection of capital by the IRCJ.
Early November 2004	Purchase of debt by the IRCJ; debt forgiveness
Mid November 2004	Implementation of DES.

5. Comments 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 about decisions to assist private-sector companies from the three government ministers in charge of the IRCJ.

6. Treatment of trade and other creditors

The agreement on the purchase of debt as outlined above is an agreement between relevant financial institutions and the IRCJ; there will continue to be no effect on the claims of trade and other creditors.

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 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 160 employees and is based in Tokyo. For more information please visit www.ircj.co.jp