

## **IRCJ to sell all equity held in Okawaso Co., Ltd.**

**Tokyo, April 28, 2005** – The Industrial Revitalization Corporation of Japan (“the IRCJ”) has resolved to sell the equity it holds in Okawaso Co., Ltd. (“Okawaso”), following which the IRCJ will no longer hold any equity, debt or other interest in the company.

### **1. Background**

On May 17, 2004 the IRCJ approved an application for assistance by Okawaso under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On July 13, 2004 the IRCJ reached agreement on the purchase of Okawaso's debt under Article 25, Clause 1 of the same act. On November 30, 2004, the IRCJ and others injected capital into Okawaso and began undertaking other measures as part of the revitalization plan.

The IRCJ today completed a contract and sold its equity in Okawaso to K.K. Yahataya, a company that has a business alliance with Okawaso.

All Okawaso debt purchased from financial institutions by the IRCJ has now been paid in full.

### **2. Capital amounts, etc.**

The principal value of Okawaso's debt purchased from financial institutions by the IRCJ was ¥6,278 million\*, for which the IRCJ paid ¥1,237 million. After debt forgiveness of ¥5,030 million in line with the business revitalization plan, the IRCJ received repayment for ¥1,239 million, and undertook a debt equity swap for the remaining ¥9 million principal value of debt.

Through the debt equity swap the IRCJ received ordinary shares amounting to 10% of voting rights in Okawaso. All these ordinary shares were today sold by the IRCJ.

Note: This figure differs from the figure announced at the time of the decision to support the business revitalization of Okawaso due to the repayment of debt through the sale of real estate held as collateral.

### **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](http://www.ircj.co.jp)