

## **IRCJ receives payment in full for Taiho Industries Co., Ltd. debt**

**Tokyo, January 25, 2006** – The Industrial Revitalization Committee of the Industrial Revitalization Corporation of Japan (“the IRCJ”) today approved the receipt of repayment in full for debt the IRCJ had purchased from financial institutions as part of a business revitalization plan for Taiho Industries Co., Ltd. (“Taiho”). The payment received by the IRCJ means that it no longer holds any debt or other obligations of Taiho.

### **1. Name of company concerned**

Taiho Industries Co., Ltd.

### **2. Process to date**

On May 20, 2004 the IRCJ approved an application for assistance by Taiho under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On July 5, 2004, under Article 25, Clause 1 of the same act, the IRCJ reached agreement with financial institutions on the purchase of this company’s debts, and in September 2004 a capital decrease and increase was carried out.

Today, in accordance with an agreement signed between the IRCJ and Ichinen Corporation on December 28, 2005, all preferred shares (first tier class B preferred shares with no voting rights) held by the IRCJ were transferred to Ichinen Corporation.

### **3. Amount of debt**

The principal value of Taiho’s debt was ¥4,271 million, for which the IRCJ paid financial institutions ¥4,057 million. In accordance with the revitalization plan, ¥850 million of the debt was exchanged for equity and repayments for the remaining ¥3,421 million were to be undertaken. The payment of ¥2,270 million received today means that the amount of Taiho debt owing to the IRCJ has now been paid in full.

### **4. 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 about decisions to assist private-sector companies from the three government ministers in charge of the IRCJ.

### **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)