

IRCJ to sell all equity held in Usui Department Store K.K.

Tokyo, October 13, 2005 – The Industrial Revitalization Corporation of Japan (“the IRCJ”) has resolved to sell the equity it holds in Usui Department Store K.K. (“Usui Department Store”).

1. Background

On August 28, 2003 the IRCJ approved an application for assistance by Usui Department Store under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On October 31, 2003 the IRCJ reached agreement on the purchase of Usui Department Store's debt under Article 25, Clause 1 of the same act, and in January 2004 a capital decrease and subsequent recapitalization was implemented. Since then, the IRCJ has been supporting the operational management of Usui Department Store in cooperation with the assistance of Mitsukoshi. Ltd. in the area of sales.

A certain amount of progress has been made toward revitalization, enabling the IRCJ to begin preparations for and reach agreement on the sale of its equity to Mitsukoshi. A sale contract with Mitsukoshi has been formed, and in line with this contract the transfer of shares is expected to take place by the end of October 2005.

2. Capital amounts, etc.

The IRCJ, through a capital injection of ¥20 million, currently holds ordinary shares amounting to 20.0% of voting rights in Usui Department Store. Following this sale, the IRCJ will retain no shares in Usui Department Store.

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