

IRCJ receives payment in full for Yagami Shoji debt

Tokyo, January 31, 2005 – The Industrial Revitalization Corporation of Japan (“the IRCJ”), with the approval of the Industrial Revitalization Committee, today received repayment in full for debt the IRCJ had purchased from financial institutions as part of a business revitalization plan for Yagami Shoji K.K. (“Yagami Shoji”). The payment received by the IRCJ means that it no longer holds any debt or other obligations relating to Yagami Shoji.

1. Name of company concerned

Yagami Shoji K.K.

2. Process to date

On October 31, 2003 the IRCJ approved an application for assistance by Yagami Shoji under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On December 1, 2003 under Article 25, Clause 1 of the same act, the IRCJ reached agreement with financial institutions on the purchase of the company’s debts.

In line with the business revitalization plan, on March 1, 2004 the operations of Yagami Shoji were transferred under the same name to a new subsidiary of sponsor PIP-FUJIMOTO Co., Ltd. The payment received by the IRCJ today was received from this new company.

3. Amount of debt

The principal value of Yagami Shoji’s debt purchased from financial institutions by the IRCJ was ¥3,389 million*, for which the IRCJ paid ¥276 million. After debt forgiveness of ¥3,102 million in line with the business revitalization plan, the IRCJ was to receive repayment for the remaining ¥287 million principal value of debt, and the ¥193 million received today means that the total remaining debt owed to the IRCJ has now been repaid in full.

* This figure differs from the figure announced at the time of the decision to support the business revitalization of Yagami Shoji, due to factors such as the repayment of debt through the sale of real estate held as collateral.

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