

April 11, 2006

**Establishment of OKAYA (BEIJING) CO., LTD. in China**

Okaya & Co., Ltd. was granted the approval on March 7, 2006 to establish its subsidiary, OKAYA (BEIJING) CO., LTD. (“New Company”) in Beijing, China.

The New Company, starting its business on June 1, is allowed to do domestic-wholesale in addition to import-export and triangle-trade in accordance with the new foreign-capital regulations effective June 1, 2004.

Outline of the New Company

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|--------------------------|--|
| (1)Name                  | OKAYA (BEIJING) CO., LTD.  |
| (2)Address               | Jing Guang Centre, Room No.2612A, Hu Jia Lou,<br>Chao Yang Qu, Beijing 100020, China   |
| (3)Business items        | Steel, Nonferrous metal, Machinery, Tool, Electronics parts,<br>Auto-parts, Optical instrument, Precision machine,<br>Chemical, Processed food, etc. |
| (4)Capital               | US\$1,000,000 (100% Okaya & Co., Ltd.)   |
| (5)Date of establishment | March 7, 2006  |
| (6)Representative        | Tadashi Mogami, Chairman of the Board  |
| (7)Number of employees   | 7 including CEO  |
| (8)Sales                 | JPN2,000,000,000 (projection in FY2006, Jan.-Dec.)<br>JPN5,000,000,000 (projection in FY2007, Jan.-Dec.)   |