

May 31, 2005

Establishment of OKAYA (GUANGZHOU) CO., LTD. in China

Okaya & Co., Ltd. was granted the approval, on May 25, to establish its subsidiary, OKAYA (GUANGZHOU) CO., LTD. (“New Company”) in Guangzhou FTZ, China.

The New Company will provide integrated services to the Japanese automotive-related manufacturers in Guangzhou, as it aims to become the “Best Global Sourcing Partner”. In addition, the New Company has entered into an agreement with Toyo Co., Ltd., a machinery-and-tool dealer in Kariya, Aichi-pref., Japan to form an alliance to promote the New Company’s business in Guangzhou area.

Outline of the New Company

(1)Name	OKAYA (GUANGZHOU) CO., LTD.
(2)Address (Sales office)	306 Tianan HTVC, No.730 Yingbin Road, Donghuan Street, Panyu District, Guangzhou 51140, P.R. China
(3)Business	International trading, Intermediary trading, Commercial trading
(4)Capital	US\$400,000.-
(5)Shareholder	Okaya & Co., Ltd. (100%)
(6)Date of establishment	May 25, 2005
(7)Representative	Hideo Sobue, Chairman of the Board
(8)Number of employees	6 including CEO
(9)Fiscal year	January 1 to December 31
(10)Sales	JPY400,000,000 (projection in FY2005) JPN900,000,000 (projection in FY2006)