[Translation]

May 18, 2007

To: All

Company Name:	K.K. DaVinci Advisors
(Code:	4314 Osaka Securities Exchange, Co., Ltd. Nippon New Market – "Hercules")
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ANNOUNCEMENT OF COMMENCEMENT OF TENDER OFFER FOR SHARES OF TOC CO., LTD.

K.K. DaVinci Advisors (the "Tender Offeror" or the "Company") hereby announces that it has resolved at the meeting of the Board of Directors on May 18, 2007 to commence the tender offer (the "Tender Offer") for shares of TOC Co., Ltd. (the "Target Company") as follows.

1. Purposes of Tender Offer

The Tender Offeror was incorporated as a company conducting real estate investment advisory business in August 1998.

Since its establishment, the Company has been entrusted fund management by domestic and foreign institutional investors, pension funds, foundations and others, and has set up, managed and administered real estate investment funds, under a management policy of "growing together with our investors". Also, since its listing on the NASDAQ Japan exchange (which has since been renamed the Hercules exchange) in 2001, the Company has realized increases in revenues and profits for six consecutive fiscal years. The Company believes that this was achieved not only as a result of its achieving considerable returns on investment based on its accumulation of significant experience and know-how in real estate investment, but also because its management policy of "growing together with our investors" has been well received by U.S., European and other institutional investors. Under this management policy, the Company is conducting its business with an aim to increase corporate value by maximizing investors' interests and shareholder value.

The Tender Offeror is conducting this Tender Offer with an aim of acquiring a majority of the voting rights of the common stock of the Target Company for the purpose described below.

The purpose of this Tender Offer is to acquire a majority of the voting rights of the common stock of the Target Company and to enhance its shareholders' value together with the other shareholders. The Tender Offeror believes that, if the proposed business plan (as described below) is implemented based on the Target Company's high-quality real estate assets, employees and customers, there is a possibility of a significant increase in shareholder value as a result of increased profitability.

The Tender Offeror's vision for realizing a significant increase in shareholder value after the consummation of this Tender Offer is as follows.

The current operation of the Target Company by its current management does not make effective use of the unrealized gains related to its real estate assets and overly relies on the Nishi Gotanda TOC Building, which is an old building in need of preparation for redevelopment. The two main points to the Tender Offeror's proposed business plan regarding the Target Company are as follows:

1. Apply the effect of leverage based on the utilization of the unrealized gains on real estate assets.

> Obtain loans that utilize the unrealized gains on the Target Company's real estate assets, while maintaining a sufficient level of shareholders' equity that is consistent with industry standards, and acquire revenue-producing real estate assets to increase revenues.

2. Replace the Nishi Gotanda TOC Building with revenue-producing real estate assets to prevent a decrease in revenues during the redevelopment of such building.

> We assume that the Target Company's current management realizes that, unlike other businesses, it is possible for real estate businesses to scrap and build an existing asset while maintaining revenues through the replacement of the asset. However, if it is difficult to procure revenue-producing real estate assets with a value comparable to the Nishi Gotanda TOC Building, then it may be possible for the Company to procure replacement assets from the large number of real estate assets held by real estate funds that are advised by the Company.

The following is an explanation of the history that led up to this Tender Offer: a part of the current management of the Target Company decided to attempt a management buyout (the "MBO") (Note); Y.K. Otani Fund TO (the "Otani Fund") incorporated by a part of the current management of the Target Company and related parties thereof launched a tender offer for ordinary shares of the Target Company at 800 Yen per share on April 9, 2007; the board of directors of the Target Company resolved to support the tender offer on April 6 and submitted an Opinion Report stating its support on April 9.

The Tender Offeror has examined the tender offer by Otani Fund in detail because Y.K. Algarve ("Algarve"), a consolidated subsidiary of the Tender Offeror, owned 10% of the shares of the Target Company. Because the purchase price proposed by Otani Fund does not include the value of the proper utilization of real estate owned by the Target Company or reflect the unrealized gains related thereto, the Company concluded that there was a high possibility that a buyout at the proposed purchase price would lead to the monopolization by the Otani Fund of profits that should inherently be enjoyed by all Target Company shareholders. Consequently, on April 25, 2007, the Company suggested to the management of the Target Company a tender offer targeting shares of common stock of the Target Company at 1,100 yen per share, subject to approval of the management of the Target Company, for the purpose of protecting shareholder value and then requested entering into detailed discussions. The Company requested the board of directors to support the proposal of the Tender Offeror and seek to extend the original tender offer period to allow a sufficient period for the shareholders of the Target Company to decide which is desirable, the proposal by Otani Fund or that by the Tender Offeror.

In response, the Target Company, without responding to the suggestion of discussions between the Tender Offeror and the Target Company, submitted questions in writing dated May 3, 2007 (received on May 7, 2007) to the Tender Offeror that referred to administrative sanctions that were issued against K.K. daVinci Select ("daVinci Select"), a subsidiary of the Tender Offeror, and asked about the facts that were the subject of such administrative sanctions, the compliance structure of the Tender Offeror and the status of its implementation. On May 8, the Tender Offeror responded in writing with answers regarding: the facts that were the subject of such administrative sanctions; the specific content of such administrative sanctions; the compliance structure of daVinci Select and the status of its implementation; the status of oversight of daVinci Select's compliance practices by the Tender Offeror; and the compliance structure of the Tender Offeror and the status of its implementation. The Tender Offeror also met with the management of the Target Company in person to explain using various specific written materials and at the same time made a proposal that would protect shareholder value for all shareholders of the Target Company in a friendly, sincere and dogged manner. Because the Target Company asked additional questions to the Tender Offeror in writing dated May 10 regarding the compliance structure and implementation thereof for group companies of the Tender Offeror other than daVinci Select and the Tender Offeror, the Tender Offeror on May 15 delivered to the Target Company a proposed draft of a confidentiality agreement, upon which the Target Company requested in writing dated May 17 to first disclose matters that do not related to confidential business matters. As set forth in the Tender Offeror's press release dated May 17, the Tender Offeror intends to continue to respond in a sincere manner.

Regarding the tender offer by Otani Fund at a purchase price of 800 yen, the purchase price was clearly regarded as too low by the market given that the share price of the Target Company remained at a level greatly over 800 yen from immediately after the launch of such tender offer. As a result, the tender offer ended up in failure. This demonstrates that the tender offer by Otani Fund could not obtain the support of a large majority of shareholders of the Target Company. As stated above, the Tender Offeror made a proposal for a purchase price that is clearly higher than that of Otani Fund, responded in good faith to questions from the Target Company, and then requested support from the management of the Target Company for the proposal of the Tender Offeror, arrangement of a meeting for detailed presentation and discussion on a concrete plan for enhancing shareholder value of the Target Company, as well as extension of the tender offer period by Otani Fund. However, the tender offer period by Otani Fund was not extended. While the Target Company's management is believed to be continuing its consideration of whether to support the proposal by the Tender Offeror, the Target Company has not presented a concrete management policy that would benefit the interests of all shareholders of the Target Company, and no specific discussions with the Tender Offeror regarding the enhancement of shareholder value have been held up until the time of launch of this Tender Offer.

Furthermore, although the board of directors of the Target Company agreed that the Target Company should go private through an MBO and thus decided to withdraw from the capital markets, after a tender offer by the Tender Offeror was proposed, they announced in a press release on May 7, 2007 that they will consider conducting an equity financing. Considering how the Target Company has not conducted equity financing since its original listing, the Tender Offeror is deeply concerned that the consideration of an equity financing that could dilute the per-share shareholder value at this time while avoiding the substantive discussion of enhancing shareholder value could lead to the impairment of shareholder value by the Target Company's management in neglect of its obligation to protect the interests of all shareholders.

The Tender Offeror, subject to obtaining the support of the Target Company's management as stated previously, proposed conducting a tender offer for the common stock of the Target Company for 1,100 yen per share on April 25, 2007. There are investors who subsequently acquired the shares of the Target Company at a price approaching our proposal on the expectation that such proposal and the proposal from Otani Fund would be compared and the proposal of the Tender Offeror would be agreed by the Target Company's management. Considering the moral responsibility of the Tender Offeror towards such investors, the Tender Offeror believes that such investors should be given an opportunity to sell their shares. The Tender Offeror has concluded that this Tender Offer needs to be commenced, even though the approval for this Tender Offer has not yet obtained from the Target Company's management, considering the risk of any delays leading to impairment to the Target Company's shareholder value in light of how the Tender Offeror has not been given an opportunity for detailed discussions with the Target Company's management and how the Target Company announced after a tender offer by the Tender Offeror was proposed that it will consider conducting equity financing even though its management had agreed to withdraw from the capital markets by going private through an MBO. Of course, the Tender Offeror intends to make continued efforts to obtain support for this Tender Offer from the Target Company's management.

As for the price proposed by Otani Fund stated previously, it reflected a premium based on the 655 yen average of the published closing price for shares of the Target Company over the 6 months ending April 5, 2007 on the Tokyo Stock Exchange. In contrast, the price for this Tender Offer would represent an approximately 67.9% premium with reference to the same 655 yen average of the closing price for shares of the Target Company for the 6 months ending April 5, 2007, an approximately 44.7% premium to the closing price for shares of the Target Company on April 5, 2007, and an approximately 2.2% premium to the closing price for shares of the Target Company on May 17, 2007, and this would fairly provide all shareholders of the Target Company an opportunity to benefit from the proper current shareholder value based on the Tender Offeror's significant track record in managing real estate investments. In addition, the offer price (1,100 yen) for this Tender Offer is consistent with the level of the highest trading price for the shares of the Target Company in recent years, so the

Tender Offeror believes this will provide all shareholders of the Target Company a favorable opportunity for sale.

If the Tender Offer completes successfully, the Tender Offeror will be a holder of a majority of voting rights. If the management of the Target Company agrees to support the Tender Offer within tender offer period, we plan to have the current management continue participating in the operation of the Target Company after the Tender Offer. Even in such case, however, the Tender Offeror's intention is to appoint a majority of the Board members. In any case, because the Tender Offeror prefers to successfully complete the Tender Offer with the support of the current management of the Target Company, it will continue to seek specific discussions to obtain the support from such management.

Algarve (head office: Chuo-ku, Tokyo; Yoshimasa Kimura, Director), a consolidated subsidiary of the Tender Offeror, holds 10.02% of the voting rights of the common stock of the Target Company. Algarve has agreed in principle to tender a certain portion of such shares in the Tender Offer and to exercise the voting and other rights as shareholders of the Target Company jointly with the Tender Offeror.

The number of shares scheduled to be purchased pursuant to the Tender Offer is 68,440,500 shares (50.001% of the issued shares). If the aggregate number of shares tendered is less than 68,440,500, the Tender Offeror will not purchase any of the tendered shares. If the aggregate number of shares tendered exceeds the aggregate of the scheduled 68,440,500 shares and the scheduled excess shares of 1,559,500 shares (the "Excess Shares"), or 70,000,000 shares (the "Expected Number of Shares"), the Tender Offeror will not purchase all or a portion of such excess shares, and the delivery and other settlement with respect to the purchase of shares will be performed pursuant to the pro rata method as prescribed in Paragraph 5 of Article 27-13 of the Securities and Exchange Law (the "SEL"). The Tender Offeror, in its letter dated April 25, 2007, subject to the support of management of the Target Company, suggested a tender offer for the shares of the Target Company without upper limitation on the number of shares, but because we have not been able to obtain the support of management of the Target Company, this Tender Offer adopts an upper limitation as described above. The Tender Offeror has chosen to target acquisition of a majority of voting rights of the common stock of the Target Company and to make the Target Company a subsidiary of the Tender Offeror.

The Target Company is listed on the First Section of the Tokyo Stock Exchange. If this Tender Offer is successful, the Tender Offeror currently intends to maintain the listing of the common shares of the Target Company while holding a majority of the voting rights of the common stock of the Target Company. However, depending on the circumstances in which shares are tendered pursuant to this Tender Offer and the circumstances in which shareholders continue to hold shares after the consummation of this Tender Offer, it is possible that a cause for delisting could arise under the rules of the Tokyo Stock Exchange.

(Note) "MBO" is an abbreviation of Management Buy Out, which is a transaction in which the management or the employees of a target company acquire such target company through the acquisition of the shares thereof and other methods.

2. General Description of Tender Offer, etc.

(1) Profile of Target Company

① Company Name	TOC Co., Ltd.	
② Description of Business	Operation of offices, shopping buildings, distribution-related buildings, etc. Allotment and sale of buildings, land and living accommodations, etc. Operation of exhibition spaces, etc. Operation of gyms, health spas, etc. Operation of shops for fashion-related goods and restaurants, etc. Production and sale of medicines and health foods, etc. Operation of linen suppliers and laundries Venture enterprise development and investment in companies Planning and development of IT business related to the above-mentioned businesses	
③ Date of Incorporation	April 3, 1926	
④ Address of Head Office	Shinagawa-ku, Tokyo	
⑤ Title and Name of Representatives	Kazuhiko Otani, Representative Chairman Takuo Otani, Representative President	
⑥ Capital Stock	11,768,190,000 yen (as of September 30, 2006)	
⑦ Major Shareholders and Ownership Ratio	New Otani Co., Ltd.	12.67%
	Y.K. Otani Kosan	9.61%
	Japan Trustee Services Bank, Ltd. (Trust Account)	8.36%
	The Master Trust Bank of Japan Ltd. (Trust Account)	5.80%
	Y.K. Otani Fund	4.69%
	Nippon Life Insurance Company (Special Pension Fund Account)	2.65%
	Masako Otani	2.65%
	Japan Trustee Services Bank, Ltd. (Trust Account 4)	2.51%
	State Street Bank and Trust Company (Standing Proxy: Mizuho Corporate Bank Kabuto-cho branch clearing division	2.08%
	Mizuho Corporate Bank, Ltd.	1.92%
	(Note) The information listed above is based on the	

	Semi-Annual Securities Report (41st fiscal year) filed by the Target Company on December 22, 2006, and indicates the status of the major shareholders of the Target Company as of September 30, 2006. The ownership ratio of the major shareholders disclosed in major shareholding reports (as well as any amendment reports) is as follows: Fidelity Investments Japan Limited 10.28% Y.K. Algarve 9.96% Credit Suisse (Hong Kong) Limited and its three co-shareholding shareholders 6.50% Schroder Investment Management (Japan) Limited and its three co-shareholding shareholders 4.28% Mizuho Corporate Bank, Ltd. and its two co-shareholding shareholders 3.94%	
⑧ Relationship between Tender Offeror and Target Company	Capital Relationship	The Tender Offeror owns 500 shares of the Target Company. In addition, Y.K. Algarve, a consolidated subsidiary of the Tender Offeror, owns 13,639,500 shares of the Target Company.
	Personnel Relationship	N/A
	Business Relationship	N/A
	Applicability of Related Persons	N/A

(2) Period of Tender Offer

① Initial Tender Offer Period

From Monday, May 21, 2007 to Wednesday, July 18, 2007 (42 business days)

② Possibility of extension of Tender Offer Period upon request of the Target Company

N/A

(3) Offer Price 1,100 yen per share

(4) Basis of Calculation of Purchase Price, etc.

① Basis of Calculation

The Tender Offeror has calculated the offering price based on the current market value of the real estate owned by the Target Company. In reviewing and calculating the current market value of the real estate owned by the Target Company, the Tender Offeror has utilized its rich experience of evaluation of real estate developed throughout the years. The Tender Offeror has experience in real estate investments in which the Tender Offeror provided advice on more than 200 real estate transactions through real estate funds, which had an aggregate transaction value of 1.2 trillion yen.

Under the circumstances, in calculating the current market value of the 11 principle real estate assets owned by the Target Company, the Tender Offeror concluded that an increase in the value of the assets could be achieved by improving the profitability as to 10 premises, and the remaining 1 premise could be evaluated as vacant land using the discounted cash flow method. In the same calculation, absent the opportunity to conduct due diligence of the Target Company's real estate, the Tender Offeror has used analysis and considerations based on certain conditions and risk factors with respect to uncertainties, such as renovation costs and reserves therefor that would be required in the future, the amount of capital expenditures set aside for aging buildings and facilities, the terms of lease agreements with tenants, etc. After taking such analysis into consideration in a comprehensive manner, the Tender Offeror reached the conclusion that the range of the current market value of the real estate owned by the Target Company would be from 230 billion yen to 280 billion yen.

Taking into consideration as a whole the revised asset value per share as calculated based on the current market value of the real estate owned by the Target Company and other factors, the Tender Offeror arrived at the Offer Price of 1,100 yen per share.

② Process of Calculation

Certain members of the current management of the Target Company decided to propose a management buyout. Such management members and their affiliates established the Otani Fund, which commenced a tender offer bid to purchase common stock of the Target Company for 800 yen per share on April 9, 2007. The board of directors of the Target Company approved the management buyout by a resolution on April 6, and submitted an opinion report on April 9, 2007.

Since Algarve, a consolidated subsidiary of the Tender Offeror, owned approximately 10% of the issued and outstanding shares of the target, the Tender Offeror reviewed and studied the proposal of the Otani Fund in detail, and concluded that the purchase price proposed by the Otani Fund did not reflect the proper value of and unrealized gains on the real estate assets owned by the Target Company, thereby leading to a high possibility that the profits that should be enjoyed by all the shareholders of the Target Company would become monopolized by the Otani Fund.

Therefore, for the purpose of protecting the interests of all of the shareholders, the Tender Offeror requested discussion with and the support of the management of the Target Company as to its proposal of a tender offer for the purchase of common stock of the Target Company for 1,100 yen per share on April 25, 2007, and extension of the Otani Fund's tender offer period to allow a sufficient period for the shareholders to decide which of the proposals made by the Tender Offeror and the Otani Fund is desirable. However a meeting with the management of the Target Company to discuss the Tender Offeror's proposal was never held and the Otani Fund's tender offer period was not extended, and as a result the tender offer by the Otani Fund ended unsuccessfully on May 11, 2007.

As stated above, the Tender Offeror submitted on April 25, 2007 the proposal of its tender offer bid for the purchase of common stock of the Target Company for 1,100 yen per share subject to the support of the management of the Target Company. As of this date, the Tender Offeror has not received any opportunity for discussion with management. The Tender Offeror has concluded that this Tender Offer needs to be commenced, even though the approval for this Tender Offer has not yet obtained from the Target Company's management.

The Tender Offeror examined the market price trends of shares of the Target Company and obtained the results that the simple arithmetic average of the closing share price of the Target Company during the past six-months ended on April 5, 2007 (the day immediately prior to the date on which the Otani Fund offered the MBO) on the Tokyo Stock Exchange was 655 yen (rounded to the nearest yen). The simple arithmetic average of the closing share price during the past three months ended on April 5, 2007 was 710 yen (rounded to the nearest yen) and the simple arithmetic average of the closing share price during the past one month ended on April 5, 2007 was 743 yen (rounded to the nearest yen), and the simple arithmetic average of the closing share price during the past six-months ended on May 17, 2007 (two business days prior to the commencement of the Tender Offer) on the Tokyo Stock Exchange was 737 yen (rounded to the nearest yen), the simple arithmetic average of the closing share price during the past three-months was 847 yen (rounded to the nearest yen) and the simple arithmetic average of the closing share price during the past one-month was 1,003 yen (rounded to the nearest yen). The offer price per share of 1,100 yen represents approximately 67.9%, 54.9% and 48.0% of the average closing share price of the Target Company on the Tokyo Stock Exchange for the six month-, three month- and one month-periods ending April 5, 2007 (the day before Otani Fund's MBO proposal) and approximately 49.3%, 29.9% and 9.7% of the average closing share price for the six month-, three month- and one month-periods ending May 17, 2007.

③ Relationship with Calculation Agent

N/A

(5) Number of Shares to be Purchased

Type of Shares, etc.	① Minimum Number of Shares Scheduled to be Purchased (in terms of shares)	② Excess Number of Shares that may be Purchased (in terms of shares)
Share Certificates	68,440,500	1,559,500
Stock Acquisition Right Certificates	N/A	N/A
Bond Certificates with Stock Acquisition Rights	N/A	N/A
Depositary Receipts for Shares (　　)	N/A	N/A
Total:	68,440,500	1,559,500

(Note 1) If the total number of tendered shares is less than the minimum number of shares scheduled to be purchased (68,440,500 shares)(the "Minimum Number of Shares"), none of the tendered shares will be purchased. If the total number of tendered shares exceeds the total of the Minimum Number of Shares and the additional number of shares that may be purchased (1,559,500 shares)for a total of 70,000,000 shares (the "Expected Number of Shares"), all or a portion of the excess shares will not be purchased, and delivery and other settlement concerning purchase of shares will be performed pursuant to the pro rata method (the "Pro Rata Method") as prescribed in Article 27-13, Paragraph 5 of the SEL and Article 32 of the Cabinet Order Concerning Disclosure on Tender Offer for Shares, Etc. by Non-Issuer (the "Cabinet Order").

(Note 2) The treasury shares owned by the Target Company will not be purchased through the Tender Offer.

(Note 3) Shares less than one unit (*tangen-miman-kabushiki*) also fall within the scope of this Tender Offer; provided, however, that the share certificates must be submitted upon tendering the shares (if shares less than one unit are registered by Japan Securities Depository Center, Inc. through the tender offer agent (Japan Asia Securities Co., Ltd., as specified in (11) below), the tender of share certificates is not required).

(6) Change in Ownership Percentage of Shares as a result of Tender Offer

Number of Voting Rights Represented by the Shares Held by the Tender Offeror before Tender Offer	1	(Ownership Percentage of Shares before Tender Offer, 0.00%)
Number of Voting Rights With Respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer	140,000	(Ownership Percentage of Shares after Tender Offer, 61.42%)
Total Number of Voting Rights of All Shareholders of the Target Company	270,760	

(Note 1)“Number of Voting Rights With Respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer” is the number of voting rights represented by the aggregate of the Minimum Number of Shares (68,440,500 shares) and the Excess Shares (1,559,500 shares), which together constitute the Expected Number of Shares (70,000,000 shares).

(Note 2)The “Total Number of Voting Rights of All Shareholders of the Target Company” indicates the number of voting rights of all of the shareholders as of September 30, 2006 as described in the semi-annual report of the Target Company for the period ending on September 30, 2006 (the 41st Fiscal Year) (filed on December 22, 2006). However, since shares less than one unit (tangen-miman-kabushiki) also fall within the scope of this Tender Offer, “Ownership Percentage of Shares before Tender Offer” and “Ownership Percentage of Shares after Tender Offer” are calculated based on the assumption that “Total Number of Voting Rights of All Shareholders of the Target Company” is 272,376, which is calculated by adding 1,616, which is the total number of voting rights related to individual shares less than one unit (tangen-miman-kabushiki) as of September 30, 2006 as stipulated in the semi-annual report above (such number of shares less than one unit (tangen-miman-kabushiki) is 808,067, excluding 285 which is the number of such shares held as treasury shares) thereto. (The number of shares that form one unit is 500.)

(Note 3)“Ownership Percentage of Shares after Tender Offer” indicates the percentage related to the sum (167,280) of the “Number of Voting Rights Represented by the Shares Held by the Tender Offeror before Tender Offer (1), the aggregate number of voting rights (27,279) with respect to shares held by Algarve, a special related party of the Tender Offeror, and the “Number of Voting Rights With Respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer” (140,000). If the Tender Offeror purchases no voting rights with respect to shares held by Algarve, the total ownership percentage of shares after this Tender Offer of the Tender Offeror and Algarve will be 61.42%. If the Tender Offeror purchases all voting rights with respect to shares held by Algarve, such percentage will be 51.40%.

(Note 4)“Ownership Percentage of Shares before ender Offer” and “Ownership Percentage of Shares after Tender Offer” are rounded to two decimal points.

(7) Consideration for Purchase 77,000,000,000 yen

(Note) This amount is calculated by using the aggregate of the Minimum Number of Shares (68,440,500 shares) and the Excess Shares (1,559,500 shares), which together constitute the Expected Number of Shares (70,000,000 shares), and multiplying by the Offer Price per share (1,100 yen).

(8) The Method of Settlement

① Name and Address of Head Office of Securities Company in Charge of Settlement

Japan Asia Securities Co., Ltd.

1-7-9, Kakigara-cho, Nihonbashi, Chuo-ku, Tokyo 103-0014

② Commencement Date of Settlement

Thursday, August 2, 2007

③ The Method of Settlement

A notice of purchase will be mailed to the addresses of the tendering shareholders (or the standing proxy in the case of non-Japanese shareholders) without delay after the end of the Tender Offer Period. Payment of the Purchase Price will be made in cash. The Tender Offer Agent will remit the Purchase Price without delay after the commencement date of settlement, to the place designated by the tendering shareholders.

(9) Other Terms and Method of Purchase, etc.

④ Conditions set forth in each Item of Article 27-13, Paragraph 4 of the SEL.

If the total number of tendered shares is less than the Minimum Number of Shares, none of the tendered shares will be purchased. If the total number of tendered shares exceeds the Expected Number of Shares, all or a portion of such excess shares will not be purchased. Delivery and other settlements concerning purchase of shares shall be performed based on the Pro Rata Method. (In the case where a number of shares less than one unit is included in the number of shares tendered by a shareholder and the Pro Rata Method is applied the upper limit of the number of shares that may be purchased from such tendering shareholder shall be the number of shares actually tendered by such tendering shareholder.)

When the total of the number of shares to be purchased from each tendering shareholder calculated by having rounded off the number of shares less than 1 unit (500 shares) using the Pro Rata Method is less than the Expected Number of Shares, one unit of shares of the tendering shareholders with a greater number of shares omitted as a result of rounding down shall be purchased one by one (when the number of tendered shares is exceeded if one unit is purchased by the addition, then only up to the number of tendered shares) per each tendering shareholder until the total number of shares to be purchased reaches the Expected Number of Shares. If the Expected Number of Shares is exceeded by purchasing shares from all of the tendering shareholders in respect of whom the omitted number of shares are equal using the above method, the shareholders from whom shares are to be purchased shall be decided by lot from among the relevant tendering shareholders within the range in which the number of shares to be purchased does not fall below the Expected Number of Shares.

When the total of the number of shares to be purchased from each tendering shareholder calculated by having rounded up the number of shares less than one unit in the calculation based on the Pro Rata Method is greater than the Expected Number of Shares, the shares of tendering shareholders with a greater number of shares included as a result of rounding up shall be decreased one by one by one unit (if, after application of the Pro Rata Method, the number of shares to be purchased is less than one unit, such shares shall be excluded from the number of shares to be purchased) per each tendering shareholder until such number that does not fall below the Expected Number of Shares. If the number of shares goes below the Expected Number of Shares due to decreasing from all the tendering shareholders in respect of whom the omitted number of shares are equal using the above method, the shareholders whose shares must be so decreased shall be decided by lot from among the relevant tendering shareholders within the range in the number of shares to be purchased does not fall below the Expected Number of Shares.

⑤ Conditions of Withdrawal of Tender Offer, Details thereof and Method of Disclosure of Withdrawal

Upon the occurrence of any event listed in Article 14, Paragraph 1, Items 1.1 through 1.9 and Items 1.11 through 1.17, Item 2, Items 3.1 through 3.8, Item 5 and Article 14, Paragraph 2, Items 3 through 6 of the Enforcement Order of the SEL (the "Enforcement Order"), the Tender Offeror may withdraw its offer.

In the event that the Tender Offeror decides to withdraw the Tender Offer, it shall give public notice electronically, and publish the fact that such public notice has been made in the *Nihon Keizai Shimbun*; provided, however, if it is deemed impractical to place such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement pursuant to Article 20 of the Cabinet Order and forthwith give public notice.

⑥ Conditions of Reduction of the Purchase Price, Details thereof and Method of Disclosure of Reduction

If the Target Company conducts any of the acts listed in Article 13, Paragraph 1 of the Enforcement Order, pursuant to Article 27-6, Paragraph 1, Item 1 of the SEL, the Purchase Price may be reduced in accordance with the criteria under Article 19, Paragraph 1 of the Cabinet Order.

In the event that the Tender Offeror decides to reduce the Purchase Price, it shall give public notice electronically, and publish the fact that such public notice has been made in the Nihon Keizai Shimbun; provided, however, if it is deemed impractical to place such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement pursuant to Article 20 of the Cabinet Order and forthwith place public notice. The Tender Offeror will purchase shares for which the tender was made prior to the date of such public notice in accordance with the changed terms and conditions.

⑦ Matters concerning Tendering Shareholders' Right to Cancel the Agreement

Any tendering shareholder may cancel any agreement to tender shares in the Tender Offer at any time during the Tender Offer Period. For the termination of an agreement to sell shares pursuant to the Tender Offer, documents concerning such cancellation and a tender receipt (the “Cancellation Documents”) must be delivered or sent by mail to the main office or domestic branch offices (except for the Ginza Branch) of the Tender Offer Agent, on or prior to 3:30 p.m. of the last day of the Tender Offer Period. The termination of an agreement shall become effective when the Cancellation Documents are delivered to or received by the Tender Offer Agent. Therefore, when sending by mail, please be informed that the cancellation will not be made if the Cancellation Documents do not reach the Tender Offer Agent by 3:30 p.m. of the last day of the Tender Offer Period.

The Tender Offeror will not claim the payment for any damage or penalty to the tendering shareholders, etc. even in case the cancellation is made. Any cost needed for the return of deposited share certificate, etc. will be borne by the Tender Offeror.

⑧ Method of Disclosure in the Event the Conditions, etc. of Tender Offer are Changed

The Tender Offeror may change the terms and conditions of the Tender Offer during the Tender Offer Period unless otherwise prohibited by the provisions of Paragraph 1, Article 27-6 of the SEL. In the event the Tender Offeror intends to change the terms and conditions of the Tender Offer, a public notice providing the details of the change shall first be issued electronically and then a public notice to such effect shall be published in the Nihon Keizai Shimbun. However, when it is impractical to issue such public notice before the last day of the Offer Period, the Tender Offeror shall first make a public announcement in accordance with the procedures described in Article 20 of the Cabinet Order and shall release a public notice immediately thereafter. The Tender Offeror will purchase shares tendered prior to the date of such public notice in accordance with the changed terms and conditions.

⑨ Method of Disclosure if Amendment Statement is Filed

In the event an Amendment to the Registration Statement is filed with the Director of the Kanto Local Finance Bureau in Japan, the Tender Offeror shall publicly and promptly announce the contents of the Amendment to the Registration Statement to the extent it relates to information in the Public Notice of the Commencement of the Tender Offer, in a manner prescribed in Article 20 of the Cabinet Order. The Tender Offeror shall also promptly amend the Tender Offer Explanatory Statement and deliver the amended Tender Offer Explanatory Statement to the tendering shareholders who have received the Tender Offer Explanatory Statement prior to the amendment. However, if the amendments are limited to minor sections in the Tender Offer Explanatory Statement, the Tender Offeror will amend the Tender Offer Explanatory Statement by delivering to the tendering shareholders a document stating the reasons for such amendments, the items that have been amended, and the contents of the amendments.

⑩ Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be publicly announced in accordance with the procedures prescribed in Article 9-4 of the Enforcement Order and in Article 30-2 of the Cabinet Order on the date immediately following the last day of the Tender Offer Period.

(10) Date of Public Notice of the Commencement of the Tender Offer
Monday, May 21, 2007

(11) Tender Offer Agent
Japan Asia Securities Co., Ltd.

3. Others

(1) Agreements with the Target Company, or its Directors and Officers, and the Details Thereof.
None.

(2) Other Information that is deemed necessary for investors to Consider the Tender Offer
The Target Company has submitted a semi-annual securities report (41st fiscal year) as of December 22, 2006. According to such report, the interim profit or loss of the Target Company is as follows:

1) Profit and Loss

Interim Fiscal Period	For the interim period ended September, 2006 (during 41st Fiscal Term)
Sales (millions of yen)	6,640
Cost of sales (millions of yen)	3,492
Selling, general and administrative expenses (millions of yen)	748
Non-operating income (millions of yen)	86
Non-operating expenses (millions of yen)	259
Net profit (millions of yen)	1,204

2) Per Share Information

Interim Fiscal Period	For the interim period ended September, 2006

	(during 41st Fiscal Term)
Net Income Per Share (yen)	8.84
Dividend Per Share (Amount of interim distribution) (yen)	3.00
Net Asset Per Share (yen)	452.69