

May 23, 2006

**Establishment of a machine-and-tool wholesaler, SOMAT in Thailand**

Okaya & Co., Ltd. (“Okaya”) was granted the approval, on May 15, to establish its subsidiary, SIAM OKAYA MACHINE & TOOL, CO., LTD. (“SOMAT”) in Bangkok, Thailand.

SOMAT, in cooperation with its sister wholesale company, Naito Co., Ltd. (JQ Code: 7624) in Tokyo, Japan, will provide a wide range of services to Japanese manufacturers in Thailand.

Outline of SOMAT

1. Name	SIAM OKAYA MACHINE & TOOL CO., LTD.
2. Address	No.947 Moo 12 Thosapol Land 3 Bldg., 5Fl Unit A, Bangna-Trad Rd., KM.3 Kwang Bangna, Khet Bangna, Bangkok 10260
3. Business	Sales and delivery of machineries, tools, etc.
4. Capital	THB20,000,000
5. Shareholders	51% Siam Suriya Co., Ltd. (subsidiary of Okaya) 32% Okaya 17% Naito Co. (subsidiary of Okaya)
6. Opening date	As scheduled on June 15, 2006
7. Representative	Noriaki Baba, President (Director of Okaya)
8. Number of employees	18 (including one from Okaya and one from Naito Co.)
9. Sales	THB300,000,000 (projection in FY2007, Jan.-Dec.) THB400,000,000 (projection in FY2008, Jan.-Dec.)