

April 12, 2005

Announcement concerning a subsidiary's loss due to products malfunctioning

Okaya & Co., Ltd., (“Okaya”) announced that its subsidiary, Chuhbu Plastics Molding Co., Ltd. (hereafter referred to as the “Subsidiary”) in Toyokawa, Aichi would incur a loss of JPN1,460,000,000 for compensation in malfunctioning plastic auto-parts to be replaced.

1. Outline of the Subsidiary

- (1)Address 3-2-5 Honohara Toyokawa, Aichi
- (2)Representative Takao Ohata, president
- (3)Capital JPY200,000,000
- (4)Business Manufacturing and sales of plastic mold products

2. Description of the loss

JPN1,460,000,000 for genuine auto-parts and replacement expenses

3. Consolidated business result

The loss for JPN1,460,000,000 is written-off in the previous fiscal year ended at February, 2005, and thus will not affect the Okaya's business result in this term through February, 2006.