

ETIC Resolves to Implement Capital Injection into ARRK Corporation / Others

June 23rd, 2011

Enterprise Turnaround Initiative Corporation of Japan

The Enterprise Turnaround Initiative Corporation of Japan (“ETIC”), upon its decision on the purchase of the debt owed by ARRK Corporation and its subsidiaries under 28 Clause 1 of the Enterprise Turnaround Initiative Corporation of Japan Act (Act 63 of 2009, hereafter “the ETIC Act”), resolved today to implement the capital injection to the company under Article 31, clause 1 of the ETIC Act.

The companies have been the subject for the provision of the support with ETIC’s decision on March 31st, 2011 under Article 25, Clause 4 of the ETIC Act.

1. Names of companies concerned

ARRK Corporation (“ARRK”) and its subsidiaries Yasuda Inc., Showa Seiki Kogyo, Co., Ltd., Gifu Die & Mold Engineering Co., Ltd., Sol-Plus Co., Ltd., Sagamihara-Buhin Co., Ltd., Clover Electronics Co., Ltd., Toho System Co., Ltd.

2. Outline of shares to be issued with the capital injection

(1) Class A preferred shares

Issuing company:	ARRK
Class of shares:	Class A preferred shares
Pay-in date:	August 25 th , 2011
Number of shares to be underwritten by ETIC:	150,000,000 shares
Issue price:	¥60 per share
Total capital paid in:	¥9,000,000,000
Percentage of Class A preferred shares to be held by ETIC:	100%
Details of Class A preferred shares:	Refer to pages 21 to 25 of the ARRK Extraordinary Report issued March 31 st , 2011

(2) Class C preferred shares

Issuing company:	ARRK
Class of shares:	Class C preferred shares
Pay-in date:	August 24 th , 2011
Number of shares to	

be underwritten by ETIC:	23,518,613 shares
Issue price:	¥435 per share*
Total capital paid in:	¥10,230,596,655
Percentage of Class C preferred shares to be held by ETIC:	100%
Details of Class C preferred shares:	Refer to pages 30 to 33 of the ARRK Extraordinary Report issued March 31, 2011

*ETIC will use a certain portion of the debt it purchases from ARRK as payment-in-kind to underwrite the share issue

3. Comments from State Ministers in charge of ETIC

Prime Minister, Minister of Internal Affairs, Minister of Finance, Minister of Economy, Trade and Industry: No opinion expressed

Minister of Health, Labour and Welfare: "I have no objection to the decision. However, I ask that in advising on and guiding the implementation of the corporate revitalization plan, ETIC should aim to ensure that ARRK Corporation complies with related laws and regulations, and that ARRK Corporation also provides adequate opportunities for substantive discussions with the workforce with due consideration of employment stability and other such factors."

ENDS