

March 12th 2011

TO ALL CONCERNED,

Nittoku Engineering Co., Ltd.
Nobushige Kondo
Representative Director & President

Influence of the “2011 Pacific Coast Tohoku Earthquake” On Our Group

We would like to express our deepest sympathy to all those who have been affected by the 2011 Pacific Coast Tohoku Earthquake on March 11, 2011.

Besides, please allow us to brief all concerned on the influence of the earthquake on our corporate as follows.

1. Fukushima factory of the corporate (Fukushima, Fukushima prefecture)

(1) Though buildings were partly damaged, there is no major impact on production activities so far.

(2) Processing equipments and semi-finished products require review and adjustment of their precision due to the earthquake which also caused dropping and damage of some components, though there is no major impact on production activities so far.

2. Kosei Co., Ltd.(a subsidiary)

In Headquarter and Fukushima factory (Date-gun, Fukushima prefecture), some of the buildings and processing machines were damaged and life infrastructure ceased to work.

Yamagata factory (Higashitagawa-gun, Yamagata prefecture) suffered no material damage, though, and there is no major impact on production activities so far.

Our headquarters factory (Sayitama, Sayitama prefecture) is not affected at all by this earthquake.

In conclusion, all the companies of our group have escaped serious damages that would materially affect production activities. Furthermore, we are going through attentive investigation to verify the conditions of the group as well as affiliates. We will inform you promptly if any serious damages that would influence our business productivity are found hereafter.

Regards