

Announcement Regarding Additional Investment in Our Company's Subsidiary in China

January 5, 2009

Taikisha Ltd. has decided today to further acquire equity of our consolidated subsidiary in China, WuZhou Taikisha Engineering Co., Ltd. (hereinafter referred to as WTL). The details are as follows.

1. Reason for additional investment

In 1994, Taikisha Group established WTL jointly with the WuZhou Engineering Design and Research Institute in China and has been developing its business ever since then. We have decided to acquire a portion of WTL's equity held by WuZhou Engineering Design and Research Institute, and to increase the ratio of equity held by our company to 70% for further strengthening of our Group led-development of WTL's business.

2. Overview of the consolidated subsidiary of which equity is transferred

1. Company name WuZhou Taikisha Engineering Co., Ltd.
2. Representative Wang Xin li
3. Headquarters Beijing, People's Republic of China
4. Date of foundation March 14, 1994
5. Business description Design and construction of paint finishing plants, industrial HVAC systems, and environmental protection systems
6. End of fiscal year December 31
7. Number of employees 104
8. Capital stock RMB51,569,000 (approximately JPY721 million)
9. Shareholders' name and the ratio of shareholders' equity to the total investment amount in the investee company

Taikisha Ltd.: RMB26,300,000 (51%)

WuZhou Engineering Design and Research Institute: RMB25,269,000
(49%)

10. WTL's business figures for the fiscal year ending December 2006 and December 2007

	FY ending Dec. 2006	FY ending Dec. 2007
Sales	RMB614,698,000 (approximately JPY8.605 billion)	RMB444,816,000 (approximately JPY6.227 billion)
Net assets	RMB92,199,000 (approximately JPY1.290 billion)	RMB88,859,000 (approximately JPY1.244 billion)

*Numbers shown in parentheses were calculated at the rate of JPY14=RMB1

3. Overview of the company from which Taikisha Ltd. acquired WTL's equity

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| (1) Company name | WuZhou Engineering Design and Research Institute |
| (2) Representative | Yu Yaming |
| (3) Headquarters | Beijing, People's Republic of China |
| (4) Business description | Construction design, consulting, management and supervisory operations |
| (5) Relationship with Taikisha Ltd. | 49% investment in WTL; dispatching directors to WTL |
| (6) Ratio of equity transferred by the company to the total investment amount | 19% |

4. Ratio of equity held by our company to the total investment amount before and after the equity transfer

Ratio of equity held by our company: (Before transfer) 51% (After transfer) 70%

5. Schedule

January 7, 2009	Conclusion of the transfer agreement
Mid-January, 2009	Scheduled date of equity transfer

6. Future prospects

The impact of this transaction on our company's consolidated performance during the current period will be minor.