

To whom it may concern:

January 19, 2012

Notice concerning our U.S. Subsidiary

YUKI GOSEI KOGYO CO., LTD., announces that the Board of Directors decided to suspend business activities of our U.S. subsidiary, YUKI GOSEI KOGYO USA, INC., as of January 19, 2012. The details of the suspension are as follows:

1. Name and other information of the subsidiary

Trade name : YUKI GOSEI KOGYO USA INC.

Address : 103 Carnegie Center, Suite 300, Princeton, NJ 08540, USA

President : Kazuo Itoh

Capital : US\$100,000

Establishment Date : September 6, 2006

Composition of shareholders : 100% by YUKI GOSEI KOGYO CO., LTD .

2. Reason for suspension of business

We decided to suspend the business of the subsidiary because (i) the efforts for sales channel expansion and information gathering in the United States have earned us a certain level of success, and (ii) it is deemed more efficient for us to conduct sales activities from our headquarters at least for the immediate future.

3. Impact on the performance of our Company

The potential impact of the suspension of business of the subsidiary on the performance of our Company is marginal.