

November 8, 2011

To Whom It May Concern

Company Name: Daiwabo Holdings Co., Ltd.
Representative Director and President: Masaaki SAKAGUCHI
(Code: 3107, the First Section of TSE and OSE)
Inquiries, if any, are to be addressed to:
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Information concerning creation of an "Employee Stock Ownership Plan (ESOP) Trust"

Please be informed that our Board of Directors has decided at its meeting held on November 8, 2011 to introduce an employee-incentivising program by creating an "Employee Stock Ownership Plan Trust" (hereinafter referred to as "ESOP Trust") as follows.

1. Purpose of creating ESOP Trust

The ESOP Trust is being created for the purposes of enriching our welfare benefit system for the employees working within our group (hereinafter referred to as "Employees"), heightening the awareness level of the Employees in respect of the performance of our group companies and their stock values, and improving our mid-and-long term corporate value.

2. Outline of ESOP Trust

It is an employee-incentivising program in a trust form, drawing upon the Employee Stock Ownership Plan of the USA and utilizing the workings of the association of employee stockholders, which aims to upgrade and expand the employee asset-building savings program encouraging employees to purchase stock in their company (and to improve thereby our employee welfare benefit system).

We will create a trust, the beneficiaries of which shall belong to the Association of Daiwabo Employee Stockholders (hereinafter referred to as "the Association") and meet certain other qualifications. The trust will, within a prefixed period of time, get hold of a certain number of shares of company stock, the Association is expected to purchase within the next few years ("Initial Settings"). Thereafter, the trust will sell such shares to the Association at a certain fixed date of every month. At the end of the trust period, if there is some profit generated by stock price improvement, the dividend proportionate to the number of shares purchased will be paid to the Association for distribution among its eligible beneficiaries. If a loss generated by stock price decline leaves the trust fund with a debt, the Company will, based on the guarantee provision of the loan agreement, pay all such debts to the applicable bank(s) and there will be no additional financial burden to be imposed on the Employees.

You will be kept informed of any further details concerning the Trust, details including the Initial Settings, trust period, etc.