

October 26, 2007

Press Release

New Horizon Capital Co., Ltd.

New Horizon Capital and Hitachi Chemical Agree on Share Transfer of Hitachi Housotec Co., Ltd. to NHC

New Horizon Capital Co., Ltd. (NHC), (Head Office: Minato-ku, Tokyo; Board Chairman and CEO: Yasushi Ando), a private equity fund, announced that NHC and Hitachi Chemical Co., Ltd. (Hitachi Chemical), (Head Office: Shinjuku-ku, Tokyo; President and CEO: Yasuji Nagase) have agreed on a share transfer agreement of Hitachi Chemical's 100% consolidated subsidiary, Hitachi Housotec Co., Ltd. (Hitachi Housotec), (Head Office: Itabashi-ku, Tokyo; President: Shintaro Hoshida). The stock purchase agreement will be completed this year by the end of December.

We at NHC have been aiming to provide added value, not only for stockholders, but also for all stakeholders, including employees, creditors, business partners and industry, to improve the corporate value of their investment destinations. Further, we have achieved major accomplishments in Japan by leveraging implicit knowledge of management and employees at investment destinations.

We will extend our guiding principles to the share transfer by cooperating with Hitachi Housotec's management and employees to work on the structural reorganization of the company's ongoing operations and strengthen its business foundation. We will implement long term support to improve Hitachi Housotec's corporate value by leveraging the wisdom of the company's management and employees to improve its profit structure and enhance its governance.

NHC, a highly independent private equity fund in Japan, through the combined strength and track records of our partners and staff members, and based upon a corporate policy of "enhancing the value of companies with a solid foundation as well as growth potential," will continue in our efforts to act as a catalyst to encourage the sound development and reorganization of Japanese industry.

Appendix: Corporate Profile (New Horizon Capital/ Hitachi Housotec)

For further information, please contact:

IFC Public Relations: Ms. Keiko Imaizumi/Ms. Hideko Takee

(Tel: 03-5532-8058, e-mail: pr@newhorizon.jp)

Appendix:

Corporate Profile

New Horizon Capital Co., Ltd.

Corporate Name: New Horizon Capital Co., Ltd.

Representative: Board Chairman and CEO: Yasushi Ando

Location : 2-8-6 Nishishinbashi, Minato-ku, Tokyo

Commencement of operations: October 2, 2006

Description of business : Fund management specializing in equity investment
(Established “New Horizon I,” a private equity fund, on
August 30, 2007)

Hitachi Hometec Co., Ltd.

Corporate Name: Hitachi Hometec Co., Ltd.

Representative: President: Shintaro Hoshida

Location : 3-9-7 Itabashi-ku, Tokyo

Establishment: May 1, 2001

Commencement of operations: October 1, 2001

Description of business: Manufacturing and marketing of housing equipment and
environmental facilities

Number of employees: 914 (non-consolidated), 2,687 (consolidated) (as of March 31,
2007)

Capital: 1.7 billion yen (as of March 31, 2004)

Sales amount: 84.4 billion yen (as of March 31, 2007)

36.0 billion yen (first half of FY2008)