

December 21, 2007

Press Release

New Horizon Capital Co., Ltd.

**New Horizon Capital and Hitachi Chemical
Conclude on Share Transfer Agreement of Hitachi Housotec Co., Ltd.**

New Horizon Capital Co., Ltd. (Head Office: Minato-ku, Tokyo; Board Chairman and CEO: Yasushi Ando, NHC), a private equity fund, announced today that NHC and Hitachi Chemical Co., Ltd. (Head Office: Shinjuku-ku, Tokyo; President and CEO: Yasuji Nagase, Hitachi Chemical) have concluded on a share transfer agreement of Hitachi Chemical's 100% consolidated subsidiary, Hitachi Housotec Co., Ltd. (Head Office: Itabashi-ku, Tokyo; President: Shintaro Hoshida, Hitachi Housotec) on December 21, 2007. The stock transfer will be completed on January 15, 2008.

By concluding the share transfer agreement, NHC will obtain the number of 31,740 stocks of Hitachi Housotec from Hitachi Chemical for value of 15.1 billion yen in total. The adjustment of the capital holding structure of this business is scheduled at the end of March, 2008 by the NH Limited Liability Company, which is an investment company by investment partnership that NHC manages. As a result, the ownership ratio is expected to become approximately 86%, though the number of stocks owned by the company will not change. NHC plans to send forth one or two directors and one or two auditors to Hitachi Housotec.

NHC will implement long term support to improve Hitachi Housotec's corporate value by conducting the CFT (Cross Functional Team) activities with participation of Hitachi Housotec's management and employees to analyze the current tasks and confirm the direction of mid and long term business strategies and execute the structural reform and infrastructure development for the business improvement of Hitachi Housotec.

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:

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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: 874 (non-consolidated), 2,588 (consolidated) (as of September 30, 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)