

November 1, 2006

J-STAR Co., Ltd.
Gregory Hara
President & Representative Director

Investment in Kaze to Daichi and transfer of business operations

As outlined in “Regarding support of Kaze to Daichi” dated October 5, 2006, on October 30, we are announcing that our wholly managed and operated investment fund (J-STAR Number One Investment Limited Partnership) has completed investment in Kaze to Daichi. As of today, Kaze to Daichi has successfully taken over a portion of business from L Kakuei K.K. (Headquartered in Shinjuku-ku, Tokyo, CEO Tomofumi Nakahata, “L Kakuei”), a subsidiary of Joint Corporation K.K. (TSE Section 1, code 8874) and L Tech Home (Headquartered in Shinjuku-ku, Tokyo, CEO Kiyokazu Kimura, “L Tech Home”), a wholly owned subsidiary of L Kakuei K.K..

Kaze to Daichi is a subsidiary created to take over business operations from L Kakue Group. It was established by Shinichi Mizoguchi who held the position of CEO at L Kakue and L Tech Home through August 17 of this year. In addition to investment through our own investment fund, we have simultaneously arranged for loan financing through Aozora Bank and Orix K.K. as well.

Resulting from the aforementioned transfer of business operations, Kaze to Daichi is in a position to inherit multiple real estate development projects and land use businesses from L Kakuei Group.

We will support Kaze to Daichi and work to establish a solid business foundation with the goal of pursuing a public offering in the near future.

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