

August 2, 2007

Apologies and Gratitude Regarding the Damage Caused by Niigata-Chuetsuoki Earthquake

- Notification on Resumed Production and Gratitude for Your Support

We would like to express our deepest apologies for great inconvenience caused to our customers while the production lines of our company and our group companies in the Kashiwazaki region were out of operation due to the damage caused by the Niigata-Chuetsuoki Earthquake that took place on July 16, which resulted in serious delay in production of products. We would also like to extend our heartfelt gratitude to everyone who gave us sympathy or encouragement during these troubled days.

In addition, we would like to send our sincerest sympathy to all the residents in the Kashiwazaki region in Niigata Prefecture and other regions affected by the earthquake.

Thanks to great support of our clients who sent us many staff to help us, as well as to the commitment of Niigata Prefectural Government and Kashiwazaki City to recovery of affected areas, we could resume operation on July 23, and complete reactivation of all the facilities by the end of July, making us ready for normal operation in terms of facilities. We will now make utmost efforts to eliminate backlogs as soon as possible while paying full attention to the product quality.

Based on the lessons we learned from this experience, we promise to review our risk management from the viewpoint of our customers, and to enhance it by rebuilding the production system and through other means.

Again, we are deeply grateful for your support.

Toshinaga Koizumi
President, Riken Corporation