

10h May, 2010

To whom it may concern

Company Name: Nifco Inc.  
Head Office: 184-1 Maioka-cho, Totsuka-ku,  
Yokohama, Kanagawa Pref., Japan  
Comp. Code no. 7988 (1st Board TSE)  
Rep. Director: Masaru Onodera, President  
Kenichi Sakurai,  
Senior Managing Director  
in charge of strategic planning &  
Contact Person: administration, Divisional General  
Manager of Corporate Strategy  
Division & Corporate Administration  
Division  
(tel 03-5476-4850)

### **Notice concerning the establishment of a new subsidiary**

The Company's would like to announce the establishment of a new subsidiary company as described below.

#### **Notes**

##### **1. Purpose**

Since the Company's advance to Shanghai in 1996, the business in China has been aggressively developed. Including Nifco Tianjin Co. Ltd, which was established in Tianjin in January of this year, there are 5 companies operating in China. This administrative company will be established in China for the purpose of coordinating and administering the business of these companies as well as aiding their sales and technological activities.

##### **2. Outline of the new company**

- |                                 |   |
|---------------------------------|---|
| (1) Company name (tentative):   | Nifco Enterprise Management (Shanghai) Co. Ltd  |
| (2) Representative:             | Haruhisa Tsuda, General Manager   |
| (3) Location:                   | Shanghai City,<br>The Peoples' Republic of China  |
| (4) Establishment:              | April, 2010   |
| (5) Lines of Business:          | Coordination and administration of the sales<br>and administrative business of the existing companies in<br>China as well as assisting in their sales and technological<br>activities |
| (6) Fiscal period end:          | December  |
| (7) No. of Employees (planned): | 10 (for the first fiscal year)  |

(8) Amount of capital: US\$2.0 million  
(9) Shareholder: 100% Nifco Inc.

### **3. Effect on the Company's business**

The effect of the establishment of this new company on the Company's business for the year ending March, 2011 will be slight.

**【 For questions related to this announcement, please contact the following 】**

Nifco Inc., Overseas Planning Department, Mr. Watanabe at telephone no. 03-5476-4850