

March 16, 2011

Dear Valued Customers,

【Initial Report】 Impact Caused by The Earthquake Hit East Japan

We would like to convey our sincere condolences to all the people who have suffered from this earthquake.

Although sales offices and manufacturing plants which are located in disastrous area have been damaged, we are desperately trying to minimize the damage and keep production on line. As you already know, however, the situation is getting serious and worse. The transportation system is not properly working and we are facing another difficulty in procuring materials of some goods from our valued suppliers.

Though all of our staff is doing our best to prevent from causing you any trouble, some cases will arise in which we consult you again about delivery date of our products once promised. Your kind understanding will be really appreciated.

We hope that you kindly consider these situation undergoing and accept our request.

—NOTE—

1. The areas where the products can't be shipped from:
Aomori, Akita, Iwate, Yamagata, Miyagi, Fukushima, and Ibaraki Prefectures
2. The areas where the product will be delayed from:
Hokkaido, Chiba, Tokyo, Kanagawa, Saitama, Gunma, Tochigi, Yamanashi, Nagano, Shizuoka, and Niigata Prefectures

If you have any inquiry, do not hesitate to contact our sales representative.

※This is a translation from original Japanese letter sent to our domestic customers.

※Regarding overseas shipments, we have no problem in delivery.

Hiroshi Hamada
Senior Executive Officer
International Business Group
NIPPON VALQUA INDUSTRIES, LTD.