

June 29, 2007

News release

Nikko Principal Investments Japan Ltd.

**NPI Underwrites Third-Party Placement for Socie World Co., Ltd.**

Nikko Principal Investments Japan Ltd. (a wholly owned subsidiary of Nikko Cordial Corporation; hereinafter: NPI) underwrote a capital increase in the form of a third-party placement totaling ¥10 billion for Socie World Co., Ltd. (Headquarters: Shinjuku, Tokyo; Representative Director and Chairman: Takashi Takahashi; hereinafter, Socie World) through SW Holdings Co., Ltd., a wholly owned subsidiary of NPI. This announcement is to give notice that payment for the placement was made today.

Socie World's principal businesses include providing esthetic services, which it has developed under a number of leading brands, including "Esthetic Salon Socie," "Beauty Avenue Socie," "La Fast Socie," and "Esthetic Salon Guerlain Paris." In addition, Socie World's core business is operating hair salons, which it has been developing under a number of leading brands, including "Hair Salon Socie" and "Jacques Moisant." Socie World has established an original store policy of opening salons in leading department stores, luxury hotels, and other types of establishments throughout Japan, and it has attained growth above average in the beauty parlor industry, which is regarded as a growth industry in Japan. The capital increase completed today will strengthen Socie World's financial position, accelerate its growth strategy, and enable the current management to work together toward further expansion of the Company's activities and, going forward, the listing of its shares.

NPI makes medium- to long-term investments (principal investments) with its own capital in listed and unlisted companies. NPI places a high value on developing partnerships with the companies it invests in, and, through the development of these companies, contributes to society as it works to be a trusted investment company. As a company of professionals with skills in enhancing corporate value, NPI is also fully committed to Socie World and will provide optimal management support.

## **Outline of Socie World and NPI**

### **Socie World Co., Ltd.**

Representatives:

Representative Director and Chairman: Takashi Takahashi

Representative Director and President: Masako Sudo

Address: Shinjuku Daiichi Seimei Bldg., 15<sup>th</sup> Floor, 7-1, Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo

Date Established: May 1960

Lines of business: Management of hair salons, esthetic salons, beauty sports clubs, and spa services, sale of related products, and related business activities

Esthetic salons: Total of 80

- Esthetic Salon Socie (70 salons nationwide)
- Esthetic Salon Guerlain Paris (10 salons nationwide)

Hair salons: Total of 52

- Hair Salon Socie and certain other brands (40 salons nationwide)
- Hair Cutting Garden Jacques Moisant (12 salons nationwide)

Subsidiaries:

- World Kikaku Co., Ltd.
- Socie Beauty Academy Co., Ltd.
- Overseas subsidiary: Taiwan Socie Beauty Salon World Co., Ltd. (22 salons managed by Taiwan Socie)
- Overseas subsidiary: Jacques Moisant Paris S.A. (one salon in France)

### **Nikko Principal Investments Japan Ltd.**

Representative:

Representative Director and Chairman: Takashi Aragane

Representative Director and President: Tetsuo Maruyama

Address: Tokyo Building, 23<sup>rd</sup> Floor, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo

Date Established: March 2000

Lines of business: Merchant banking business, including private equity investment