

Annual Report 2007

For fiscal year 2006 ended March 31, 2007





To Our Shareholders

Welcome to our Annual Report for Fiscal Year 2006 (April 2006-March 2007)

In FY2006, Japan registered its longest stretch of uninterrupted economic growth in the postwar period, fueled by further gains in corporate earnings and employment conditions. With global competition among companies intensifying in the industrial sector overall, offensive and defensive activities associated with M&A increasingly captured attention.

In this environment, although we made steady progress during the fiscal year under review with the identification and implementation of new investments, periodic income was limited due to the fact that the realization of key investments has been postponed until after the next fiscal year. In addition, we incurred valuation loss on certain investments causing our results to be considerably lower than planned. As a result, the Company regrets to report that no dividend was declared during the term.

We are very sorry to have caused any inconvenience to our Shareholders, however, we continue to make determined efforts to detect excellent investment opportunities and improve our methods for nurturing our investment recipient companies. In these endeavors, we request the continued understanding and support of our Shareholders.

In the fiscal year under review, Oak Capital Corporation completed its first year as an investment specialist on a non-consolidated basis, after the spin-off of its marine operations in the previous year. Consequently, the Company decided to change its corporate name from BSL Corporation to Oak Capital Corporation, effective October 1, 2006.

During the previous fiscal year, we tied-up with K Laser Technologies Inc. (Taiwan), the top producer of holographic films in Asia and a major supplier of Coburn Japan Corporation. We also implemented a capital participation in Christofle Japan K.K. – the Japan entity of the French Christofle known as the world's premium silver tableware brand in the United States and Europe – and acquired 50 % shares of the company. With an eye on synergy with Christofle Japan K.K., we implemented a stock acquisition in Yamada Heiando Co., Ltd. – a long-established seller of high-grade lacquerware. Furthermore, our portfolio company Dyflex Co., Ltd. expanded its business lines by acquiring the business of Kowa Chemical Industries Co., Ltd., a top-ranking domestic maker of paints used in exterior painting work. The same company also advanced into a new market through the establishment of ICS Garland's subsidiary, ICS Shanghai Co., Ltd. in China.

We believe that each of these new investments will produce synergy effects with existing portfolio companies and contribute to the future growth of our group by utilizing Oak Capital's networks and know-how for creating additional value.

We additionally implemented capital contributions in a number of unlisted IT-related companies, notably developer and manufacturer of electronic parts Niigata Seimitsu Co., Ltd., provider of information and communications services Freparnetworks, Inc. and producer of computer graphics content CAD CENTER CORPORATION as investments aimed at broadening our scope of industry targets and investment portfolio.

To open up a new avenue for expanding its investment activities, Oak Capital established "Oak Capital No.1 Limited Partnership for Investments" with joint capital participation made by several financial institutions. The purpose of this Fund is to conduct value-enhancing investments in small and medium-sized enterprises in which the owner and founding families carry considerable weight. The Fund's management and operation is handled by Oak Capital acting as General Partner.

In addition to various external factors, Oak Capital's core investment operation is affected by the number and size of investments realized throughout the course of one fiscal year which explains why periodic income tends to fluctuate widely. Nevertheless, Oak Capital is determined to tackle this most pressing task head-on and achieve equalization of its earnings base by further upgrading its portfolio and boosting returns on investments.

In closing, I would like to ask for your continued support and encouragement towards our company.

June 2007

Hiroyasu Takei
Representative Director & Chairman



Our Investment Policy

Oak Capital’s core investment business aims to enhance the value of its portfolio companies by aiding their development or providing business strategy-related support.

To be considered an eligible investment, companies must possess the following strengths:



Adopting a wide-angled perspective, Oak Capital strives to further expand and solidify the groundwork of its investment business by identifying and analyzing companies and/or businesses meeting these criteria.

Investment deals are typically pursued along the following lines:

Private equity investment

After acquiring a 35%~100% stake in top-ranking small- and mid-cap enterprises (unlisted companies) that meet the aforementioned criteria, Oak Capital will enforce a policy designed to enhance the corporate value.

Investments in listed companies

When implementing the investment, Oak Capital not only assists in the re-formulation of the business plan but also advises on the creation of the opportune capital plan which is to improve critical aspects such as capital structure, equity liquidity and market capitalization of the companies in whose capital it participates.

Oak Capital believes that corporate value enhancement thus achieved for its portfolio companies will consequently lead to the enhancement of its own value.

Nurturing portfolio companies through management support

Value enhancement of portfolio companies is directly linked to Oak Capital’s own value and merits our closest attention. Calling upon a broad range of consulting skills as an investment firm, we introduce dedicated human resources and actively appoint specialists in the business fields of each portfolio company so as to promote their development and agilely attain enhancement of corporate value.

Exit Strategy

Depending on the nature of each investment, Oak Capital distinguishes between “short-term” deals recoverable over a relatively short span (short-term recovery) and “medium-to-long-term” deals to be recouped over a longer span of time through business development (medium-term recovery). Whereas profits of the former can be included in the results of a single fiscal term and thus serve as a dividend source, more time is required to realize gains of the latter.

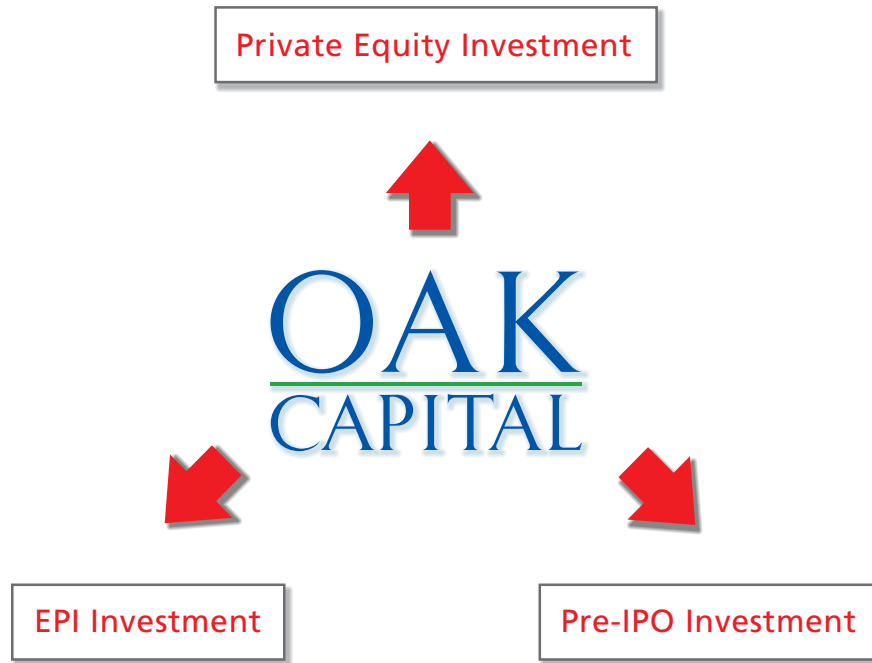
Oak Capital nevertheless adopts a flexible stance suited to the circumstances of each deal without adhering to earlier investment decisions so as to take advantage of the opportune timing for realizing its investments and maximize returns.

The method for realizing investment exits, whether that be through IPOs, share transfers (sale in part or in whole) or stock swaps (exchanging unlisted shares for listed shares), is always carefully selected giving full consideration to the collective interests of all stakeholders and ensuring maximum benefits for all involved parties.



Investment Scheme

We have adopted the following three investment approaches while striving to strike the optimum balance among them.



Private equity investments (Investments supporting business growth)

Principal targets and purposes:

Companies with hidden Enterprise Value (inherent value). By participating in their capital, Oak Capital aims to further enhance value.



Contribution to Oak Capital's own Enterprise Value creation

- Acquisition and holding of a 35-100% stake subject to Oak Capital's management participation.
- Supporting growth and business development of target companies by sharing strategies and risks.

EPI Investments (Strategic equity participation investments in listed companies)

Principal targets: Listed companies

- Investments are typically made by subscribing for new shares issued when the target company decides to increase its capital (through a private placement of new shares).
- By offering its know-how, (such as advice related to the formulation of business strategies and capital structure planning), Oak Capital seeks to enhance the enterprise value of the target companies and increase the value of its investments.
 - ◆ Support for the development of business strategies
 - ◆ Advice on capital structure planning — a number of initiatives to optimize the capital structure, improve stock liquidity and enhance market capitalization
- Oak Capital will examine ways for using to advantage existing assets as a business expansionary measure.

Pre-IPO investments (Investments supporting IPO)

Principal targets: Companies in the midst of executing IPO plans

- By capitalizing on its networks and know-how in areas such as capital policy formulation, IPO scheme development and the establishment of a comprehensive support structure, Oak Capital aims to help companies realize a successful IPO and collect on its investment at an early stage.
- Oak Capital will not consider early-stage companies.



as of March 31, 2007

Niigata Seimitsu 新潟精密株式会社

Cutting-edge developer and manufacturer of electronic parts

Company profile

Company name: Niigata Seimitsu Co., Ltd.
 Head office: 2-5-13, Nishishiro-cho, Joetsu City, Niigata
 Tokyo head office: 1-16-3, Shiba-Diamon, Minato-ku, Tokyo
 Established: January 1981
 Capital stock: 3,874 million yen
 Annual sales: 13.6 billion yen for the fiscal year ended December 2005
 Representative: Takeshi Ikeda, Representative Director & President
 Number of employees: 550 (fiscal year ended December 2005)
 URL: <http://www.niigata-s.co.jp>
 Share holding: 4.1% (including shares held by the fund*)



Freparnetworks, Inc.

Innovative developer and provider of information and communications services

Company profile

Company name: Freparnetworks, Inc.
 Head office: 3-12-1, Toranomom, Minato-ku, Tokyo
 Established: February 2000
 Capital stock: 2,312 million yen (as of March 2007)
 Representative: Makoto Miyanouchi, Representative Director & President
 URL: <http://www.freparnetworks.co.jp>
 Share holding: 8.1% (including shares held by the fund*)



CAD CENTER CORPORATION Visualize your Dreams

Long-established developer of CG image content

Company profile

Company name: CAD CENTER CORPORATION
 Head office: 2-3-21, Korakuen, Bunkyo-ku, Tokyo
 Established: October 1987
 Capital stock: 514 million yen (as of May 2007)
 Representative: Reiji Shibata, President & CEO*
 Number of employees: 121
 URL: <http://www.cadcenter.co.jp>
 Share holding: 75.0% (including shares held by the fund*)



*Executive position assumed as from July 1, 2007



Yamada Heiando CO., Ltd.

Venerable producer of high-grade lacquerware by appointment to the Imperial Household

Company profile

Company name: Yamada Heiando Co., Ltd.
 Head office: 18-12, Sarugaku-cho, Shibuya-ku, Tokyo
 Established: May 1948
 Capital stock: 92 million yen
 Representative: Kenta Yamada, Representative Director & President
 URL: <http://www.heiando.com>
 Share holding: 20.1%

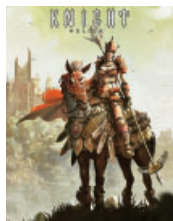


Gonzo Rosso K. K. GONZO ROSSO

Developer of highly popular online entertainment

Company profile

Company name: Gonzo Rosso K.K.
 Head office: 4-33-4, Nishishinjuku, Shinjuku-ku, Tokyo
 Established: March 1963
 Capital stock: 289 million yen
 Representative: Hideki Moriya, Representative Director & President
 URL: <http://www.gonzorosso.jp>
 Share holding: 4.2% (held by the fund*)



* Note: Oak Capital No. 1 Limited Partnership for Investments



Non-consolidated financial results

Net sales

7,817 million yen

- Return from short-term investment in marketable securities

Operating loss

2,244 million yen

Ordinary loss

2,156 million yen

- A mark to market valuation loss of approximately 1,255 million yen was recorded for securities to be sold. (Biosensors International Group, Ltd.)*
- Selling, general and administrative expenses of 1,308 million yen were posted.

Net loss

3,925 million yen

- A valuation loss of trade investment securities (Summit Design Technologies, Inc.)
- A valuation loss of shares in affiliated companies was posted.*

* These constitute loss from valuation and therefore do not entail actual outflows of cash during the term.

On a non-consolidated basis, while income was recorded from short-term investments in marketable securities, not only was periodic income limited as a result of our decision to defer the recovery of major investments planned for the period under review to subsequent fiscal years, but a valuation loss of 1,255 million yen was also posted for shares in Biosensors International Group, Ltd. (Singapore Stock Exchange, Code: BIG), which we hold for trading purposes. We also recorded extraordinary losses such as a valuation loss of 1,007 million yen for trade investment securities such as Summit Design Technologies, Inc., a valuation loss of 556 million yen for shares in affiliated companies, and allowance for investment losses of 65 million yen.

As a result, financial results for the fiscal year under review showed net sales of 7,817 million yen (down 682 million yen from the previous year), operating loss of 2,244 million yen (down 3,639 million yen), ordinary loss of 2,156 million yen (down 3,637 million yen) and net loss of 3,925 million yen (down 5,638 million yen).

Consolidated financial results

Net sales

24,340 million yen

- Return from the investment business
- Contribution of operating revenue of ICS Garland Inc.
- Slower sales due to warm winter (ADIRON Corporation)

Operating loss

2,079 million yen

- Effect of individual factors
- Effect of a higher cost ratio (Dyflex Co., Ltd.)

Ordinary loss

2,096 million yen

- Effect of individual factors
- Interest expenses of subsidiaries

Net loss

3,624 million yen

- Effect of individual factors

On a consolidated basis, although ICS Garland Inc. and its local subsidiary in China contributed to income, profits fell short of our initial projections on negative factors such as the impact of rising crude oil prices on the cost of sales of Dyflex Holdings Co., Ltd. and the adverse effect of the warm winter on sales of ADIRON Corporation, in addition to the factors on a non-consolidated basis mentioned above. Consequently, results for the fiscal year under review fell short of our initial targets.



Non - consolidated Financial Statements (summary)

Non-Consolidated Balance Sheets

(millions of yen)

	FY2006	FY2005
Assets		
Current assets	7,769	15,428
Cash and deposits	2,594	9,328
Accounts receivable – trade	148	1,255
Trade investment securities	3,665	3,925
Short-term loans	1,366	860
Others	91	58
Allowance for doubtful accounts	(96)	—
Fixed assets	7,041	4,472
Tangible fixed assets	145	172
Intangible fixed assets	9	10
Investments and other assets	6,886	4,289
Deferred assets	26	52
Total assets	14,837	19,952

Note : Amounts less than 1 million yen are omitted

(millions of yen)

	FY2006	FY2005
Liabilities		
Current liabilities	276	479
Accounts payable	160	211
Others	115	268
Fixed liabilities	5,069	5,043
Equity warrant-bearing bonds	5,000	5,000
Others	69	43
Total liabilities	5,345	5,523
Shareholders' equity		
Capital stock	—	7,964
Capital surplus	—	4,518
Retained earnings	—	1,924
Unrealized gain on securities	—	42
Treasury stock	—	(21)
Total shareholders' equity	—	14,428
Total liabilities and shareholders' equity	—	19,952
Net assets		
Shareholders' equity	9,431	—
Capital stock	7,964	—
Capital surplus	4,099	—
Retained earnings	(2,614)	—
Treasury stock	(17)	—
Valuation and translation adjustments	60	—
Unrealized gain on securities	60	—
Total net assets	9,492	—
Total liabilities and net assets	14,837	—

Note : Amounts less than 1 million yen are omitted



Non - consolidated Financial Statements (summary)

Non-Consolidated Statement of Income (millions of yen)

	FY2006	FY2005
Net sales	7,817	8,499
Cost of sales	8,753	5,518
Gross profit (loss)	(935)	2,980
Selling, general and administrative expenses	1,308	1,586
Operating income (loss)	(2,244)	1,394
Non-operating income	117	114
Non-operating expenses	29	27
Ordinary profit (loss)	(2,156)	1,481
Extraordinary income	50	855
Extraordinary expenses	1,819	619
Income (Loss) before taxes	(3,924)	1,717
Taxes	1	4
Net income (loss)	(3,925)	1,712
Retained earnings at the beginning of a period	—	176
Undisposed profits at end of fiscal year (unabsorbed loss)	—	1,889

Note : Amounts less than 1 million yen are omitted

Statement of Changes in Net Assets

The Statement of Changes in Net Assets was newly established by the Company Law that came into effect on May 1, 2006. This is a financial statement prepared to report changes in shareholders' equity presented in the section of net assets on the balance sheet, which belongs primarily to shareholders. This statement indicates causes for the changes during an accounting period and their amounts.

Non-Consolidated Statements of Shareholders' Equity (millions of yen)

	Shareholders' equity					Valuation and translation adjustments	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity		
Balance as of March 31, 2006	7,964	4,518	1,924	(21)	14,386	42	14,428
Changes of items during the term							
Dividends from surplus*		(414)	(414)		(828)		(828)
Directors' bonuses from surplus*			(199)		(199)		(199)
Net loss			(3,925)		(3,925)		(3,925)
Acquisition of treasury stock				(8)	(8)		(8)
Disposal of treasury stock		(5)		13	7		7
Net changes of items other than shareholders' equity						18	18
Total changes of items during the term	—	(419)	(4,539)	4	(4,955)	18	(4,936)
Balance as of March 31, 2007	7,964	4,099	(2,614)	(17)	9,431	60	9,492

* Items for profit appropriation approved at the ordinary general meeting of shareholders held on June 29, 2006.

Note : Amounts less than 1 million yen are omitted

Consolidated Financial Statements (summary)

Consolidated Balance Sheets

(millions of yen)

	FY2006	FY2005
Assets		
Current assets	16,290	22,897
Cash and deposits	4,440	11,076
Notes and accounts receivable – trade	4,110	4,333
Trade investment securities	3,665	3,925
Inventories	1,820	1,441
Short-term loans	1,302	1,214
Accounts receivable-other	570	569
Others	494	409
Allowance for doubtful accounts	(113)	(73)
Fixed assets	9,484	6,209
Tangible fixed assets	1,595	1,743
Intangible fixed assets	714	815
Investments and other assets	7,174	3,651
Deferred assets	26	52
Total assets	25,800	29,159

Note : Amounts less than 1 million yen are omitted

Consolidated financial conditions

Total assets at the end of the fiscal year under review declined 3,355 million yen from a year earlier, to 25,800 million yen. The major factor for the decline was a fall in cash and deposits attributable to investments and working capital. Liabilities increased 838 million yen from the previous year, to 15,946 million yen, mainly because of an increase in trade payables associated with the acquisition of the business of Kowa Chemical Industries Co., Ltd. by Dyflex Holdings Co., Ltd., our consolidated subsidiary. Net assets decreased 498 million yen in comparison with the total of minority interests and total shareholders' equity in the previous year, to 9,854 million yen chiefly owing to profit appropriation in the previous year and the posting of net loss in the fiscal year under review.

(millions of yen)

	FY2006	FY2005
Liabilities		
Current liabilities	8,142	7,756
Notes and accounts payable – trade	4,983	3,787
Short-term borrowings	1,475	2,327
Current portion of long-term debt	572	546
Others	1,110	1,094
Fixed liabilities	7,803	7,351
Corporate bonds	600	600
Equity warrant-bearing bonds	5,000	5,000
Long-term debt	1,137	816
Liabilities for retirement benefits	412	437
Others	653	496
Total liabilities	15,946	15,107
Minority interests	—	63
Shareholders' equity		
Capital stock	—	7,964
Capital surplus	—	4,653
Retained earnings	—	1,471
Unrealized gain on securities	—	(79)
Treasury stock	—	(21)
Total shareholders' equity	—	13,988
Total liability, minority interests, and shareholders' equity	—	29,159
Net assets		
Shareholders' equity	9,246	—
Capital stock	7,964	—
Capital surplus	4,104	—
Retained earnings	(2,805)	—
Treasury stock	(17)	—
Valuation and translation adjustments	77	—
Minority interests	530	—
Total net assets	9,854	—
Total liabilities and net assets	25,800	—

Note : Amounts less than 1 million yen are omitted



Consolidated Financial Statements (summary)

Consolidated Statement of Income

(millions of yen)

	FY2006	FY2005
Net sales	24,340	23,032
Cost of sales	19,789	15,302
Gross profit	4,551	7,729
Selling, general and administrative expenses	6,630	6,358
Operating income (loss)	(2,079)	1,371
Non-operating income	167	223
Non-operating expenses	185	191
Ordinary profit (loss)	(2,096)	1,403
Extraordinary income	44	3,503
Extraordinary expense	1,520	2,592
Income (Loss) before taxes	(3,573)	2,314
Taxes	50	104
Adjustment for income tax	2	7
Minority shareholders' equity (loss)	(1)	0
Net income (loss)	(3,624)	2,202

Note : Amounts less than 1 million yen are omitted

Consolidated Statements of Cash Flow

(millions of yen)

	FY2006	FY2005
Cash flow from operating activities	(5,445)	(396)
Cash flow from investment activities	(372)	1,285
Cash flow from financing activities	(842)	6,952
Foreign currency conversion gains or losses of cash and cash equivalents	(5)	—
Net increase (decrease) in cash and cash equivalents	(6,667)	7,840
Cash and cash equivalents at beginning of year	10,828	3,101
Decrease in cash and cash equivalents due to change in consolidated scope	—	(113)
Cash and cash equivalents at end of year	4,161	10,828

Note : Amounts less than 1 million yen are omitted

<Cash flows from operating activities>

Net cash used in operating activities was 5,445 million yen. A major factor was the acquisition of trade investment securities.

<Cash flows from investing activities>

Net cash used in investing activities was 372 million yen. This was primarily attributable to the acquisition of tangible fixes assets and shares in affiliated companies.

<Cash flows from financing activities>

Net cash used in financing activities was 842 million yen. This was principally a reflection of dividends paid

Consolidated Statements of Shareholders' Equity

(millions of yen)

	Shareholders' equity					Valuation and translation adjustments	Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity			
Balance as of March 31, 2006	7,964	4,653	1,471	(21)	14,067	(79)	63	14,051
Changes of items during the term								
Dividends from surplus*		(414)	(414)		(828)			(828)
Directors' bonuses from surplus*			(237)		(237)			(237)
Net loss			(3,624)		(3,624)			(3,624)
Acquisition of treasury stock				(8)	(8)			(8)
Disposal of treasury stock				13	(122)			(122)
Net changes of items other than shareholders' equity		(135)				157	467	624
Total changes of items during the term	—	(549)	(4,276)	4	(4,821)	157	467	(4,169)
Balance as of March 31, 2007	7,964	4,104	(2,805)	(17)	9,246	77	530	9,854

* Items for profit appropriation approved at the ordinary general meeting of shareholders held on June 29, 2006.

Note : Amounts less than 1 million yen are omitted



as of March 31, 2007

Dyflex Holdings Co., Ltd.

Leading manufacturer of urethane waterproofing systems



Company profile

Company name: Dyflex Holdings Co., Ltd.*
 Head office: 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo
 Established: April 1964
 Capital stock: 315 million yen
 Annual sales: 11.6 billion yen for the fiscal year ended March 2007 (consolidated)
 Representative: Keisei Miura, Representative Director & President and Chairman
 Number of employees: 200
 URL: <http://www.dyflex-hd.co.jp>
 Share holding: 100%

*The company name was changed to Dyflex Co., Ltd. in April, 2007.



Christofle Japan K.K



Top-ranking silverware manufacturer with a brand and long-standing tradition of excellence

Company profile

Company name: Christofle Japan K.K.
 Head office: 8-11-37, Akasaka, Minato-ku, Tokyo
 Established: April 1997
 Representative: Yves Alemany, CEO
 Capital stock: 110 million yen
 URL: <http://www.christofle.com>
 Share holding: 50%



ICS Garland Inc.

Leading U.S. maker of innovative industrial-use flooring products



Company profile

Company name: ICS Garland Inc.
 Head office: Delaware, United States
 Established: January 2006
 Paid-in capital: 7 million US dollar
 Representative: Byron Smith, CEO
 URL: <http://www.garlandfloor.com>
 Shareholding: Dyflex Holdings Co., Ltd. 100%



ADIRON Corporation ADIRON

Handling popular Italian and French branded bags

Company profile

Company name: ADIRON Corporation
 Head office: 1-24-10, Yoyogi, Shibuya-ku, Tokyo
 Established: October 1989 (trade name changed in June 2003)
 Capital stock: 50 million yen
 Annual sales: 2.6 billion yen for the fiscal year ended February 2007
 Representative: Yosuke Shino, CEO
 Number of employees: 200
 URL: <http://www.adiron.co.jp>
 Share holding: 100%



Kowa Chemical Industries Co., Ltd.

Leading manufacturer and seller of exterior painting products

Company profile

Company name: Kowa Chemical Industries Co., Ltd.
 Head office: 2-4-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
 Established: January 2007
 Capital stock: 10 million yen
 Representative: Keisei Miura, Representative Director
 URL: <http://www.dia-kowa.co.jp>
 Share holding: Dyflex Holdings Co., Ltd. 100%



AJIOKA Co., Ltd.



Japan's largest manufacturer and wholesaler of highly-authentic, branded leather accessories

Company profile

Company name: AJIOKA Co., Ltd.
 Head office: 1-8-12, Nihonbashi-Hamacho, Chuo-ku, Tokyo
 Company store: 5-2-7, Jingumae, Shibuya-ku, Tokyo
 Founded: February 1917
 Established: May 2003
 Capital stock: 325 million yen
 Annual sales: 5.3 billion yen for the fiscal year ended March 2007
 Representative: Heiichiro Ajioka, Representative Director and Chairman and President
 Number of employees: 105
 URL: <http://www.ajioka.co.jp>
 Share holding: 23.5%





Coburn Japan Corporation



Opening up new markets as Japan's top contender and market share holder in holographic films

Company profile

Company name: Coburn Japan Corporation
 Head office: 1-6-11, Minato, Chuo-ku, Tokyo
 Branch office: 5-6-10, Nishi-Tenman, Kita-ku, Osaka
 Established: March 1978
 Capital stock: 13 million yen
 Annual sales: 1.1 billion yen for the fiscal year ended December 2006
 Representative: Fumihito Nanbu, Representative Director & President
 Number of employees: 27
 URL: <http://www.coburn.co.jp>
 Share holding: 83.4%



G. Communication Co., Ltd.

Striving to develop a multi-franchise operation

Company profile

Company name: G. Communication Co., Ltd.
 Head office: 5-12-3, Kurokawa-Hondori, Kita-ku, Nagoya, Aichi Prefecture
 Established: June 1997
 Capital stock: 2,361 million yen
 Annual sales: 2.8 billion yen for the fiscal year ended May 2006 (non-consolidated)
 Representative: Masaki Inayoshi, Representative Director & Chairman
 Number of employees: 102 (as of July 2006)
 URL: <http://www.g-com.jp>
 Share holding: 3.5%



TSEC, Securities: 2461

K Laser Technology Inc.



Global leader in the production of holographic films

Company profile

Company name: K Laser Technology Inc.
 Head office: Science-based Industrial Park, Hsin-chu, Taiwan
 Established: April 1988
 Capital stock: 1,371 million NT dollars
 Annual sales: 6.5 billion US dollars (ended December 2006)
 Representative: Dr. Alex Kuo, Chairman
 Employees: 230 (as of December 2006)
 URL: <http://www.klasergroup.com>
 Share holding: 4.7%



Kyorei Corporation



Trading firm specialized in fresh and frozen fish import and processed marine products

Company profile

Company name: Kyorei Corporation
 Head office: 4-5-9, Kuramae, Taito-ku, Tokyo
 Established: October 1988
 Capital stock: 260 million yen
 Annual sales: 4.1 billion yen for the fiscal year ended March 2006
 Representative: Akira Noguchi, Representative Director & President
 Number of employees: 35
 URL: <http://www.kyorei.co.jp>
 Share holding: 18.2%



GORIN Packing Co., Ltd.



Pioneer in dust-proof, shock-absorbing, insulating and other packing materials used in consumer electronics

Company profile

Company name: GORIN Packing Co., Ltd.
 Head office: 1804-25, Noda, Iruma City, Saitama Prefecture
 Established: December 1969
 Capital stock: 143 million yen
 Annual sales: 5.6 billion yen for the fiscal year ended March 2006
 Representative: Teruo Suzuki, Representative Director & President
 Number of employees: 181
 URL: <http://www.gorinpki.co.jp>



Tokyo Stock Exchange, Second Section: 7474

PAO Corporation



Establishing presence as all-comprehensive purveyor of oriental cuisine

Company profile

Company name: PAO Corporation
 Head office: 676-9-1, Aza-Eboshiwaoki, Nishi-Takadomari, Sanyo-Onoda, Yamaguchi Prefecture
 Established: May 23, 1966
 Capital stock: 1,715 million yen
 Annual sales: 5.7 billion yen for the fiscal year ended March 2007
 Representative: Takafumi Akutsu, Representative Director & President
 Number of employees: 1,125 (including contract employees)
 Number of stores: 168 (as of March 31, 2007)
 URL: <http://www.g-networks.jp>
 Share holding: 7.0%



* The company name was changed to G NETWORKS Inc. in July 2007.



as of March 31, 2007

JASDAQ: 6837

Kyosha Co., Ltd.



One of the world's largest suppliers of printed circuit boards

Company profile

Company name: Kyosha Co., Ltd.

Head office: 300, Mura-Higashi, Mori, Kumiyama-cho, Kuse-gun, Kyoto

Established: February 1959

Capital stock: 1,101 million yen

Annual sales: 15.8 billion yen for the fiscal year ended March 2007

Representative: Yuji Kojima, Representative Director and President

Number of employees: 192 (as of September 30, 2006)

URL: <http://www.kyosha.co.jp>

Share holding: 2.0%



Singapore Stock Exchange, SGX Main Board

Biosensors International Group, Ltd.



Developer, manufacturer, and seller of disposable medical equipment using proprietary technology

Company profile

Company name: Biosensors International Group, Ltd. (BIG)

Head office: Bermuda

Established: March 1998

Capital stock: 69 million US dollars

Annual sales: 34 million US dollars for the fiscal year ended March 2007 (Consolidated)

Representative: Yoh-Chie Lu, CEO

URL: <http://www.biosensorsintl.com>





Stock Information

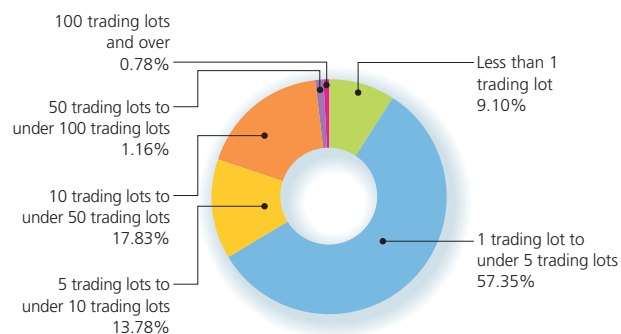
Total number of shares issuable 600,000,000
 Total number of shares issued
 and outstanding 207,180,381
 Number of shareholders 23,632

(as of March 31, 2007)

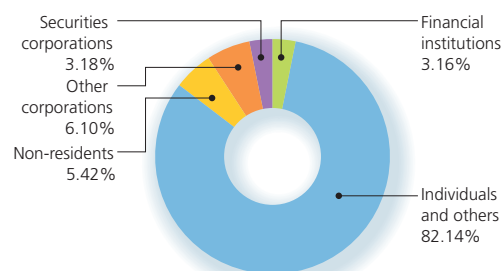
Principal Shareholders (top 7) as of March 31, 2007

Name of shareholders	Shares held	Percentage of shares
Hiroyasu Takei	8,753,000	4.22%
SIS SegalInterSettle AG	5,722,000	2.78%
Japan Securities Finance Co., Ltd.	5,679,000	2.74%
Keisei Miura	5,305,473	2.56%
Mihiro Shokai K. K.	2,951,000	1.42%
LMI CORPORATION	2,609,000	1.25%
Individual shareholders	1,758,742	0.84%

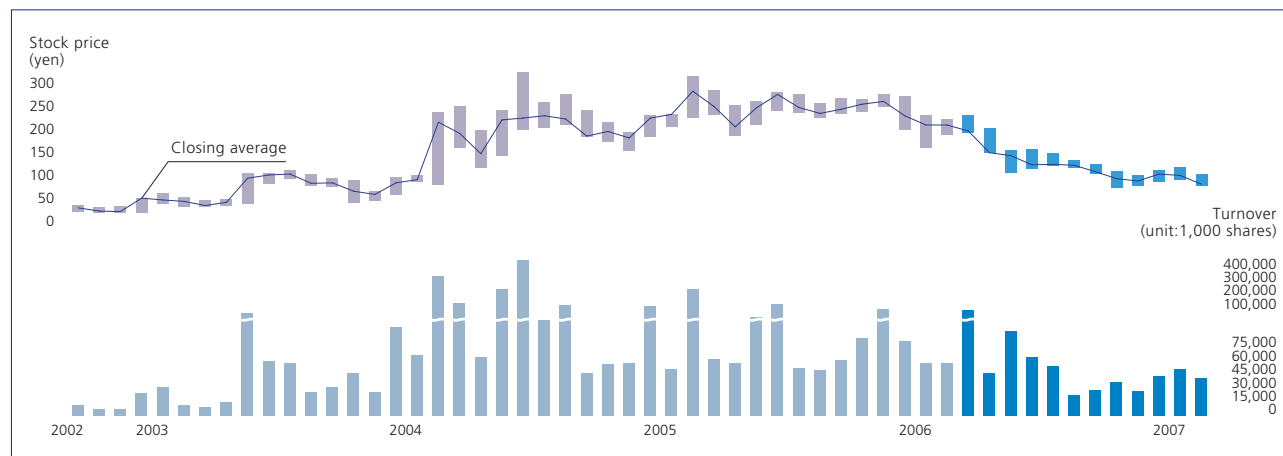
Breakdown of shareholders by volume owned



Distribution of shareholders



Stock Price and Turnover Trends



Guidance To shareholders who have a holding of less than one trading unit (1,000 shares)

Shareholders who have a holding of less than one trading unit can apply to the company either to purchase additional shares to make up one trading unit, or sell the holding of less than one trading unit to the Company. For details, please refer to the Stock Transfer Agency Dept. of the Chuo Mitsui Trust and Banking Co., Ltd. When using the Central Securities Custody & Book-Entry Transfer System, please consult your securities company.



Company Profile

Company profile (as of June 29, 2007)

Company name	Oak Capital Corporation
Address	10-24, Akasaka 8-chome, Minato-ku, Tokyo
Founded	1868
Established	1918
Capital stock	7,964,050,000 yen
Public Listing	2nd Sections of TSE, OSE and NSE. Listed in 1949
Lead Manager	Daiwa Securities SMBC
Auditors	Nihombashi Corporation (Certified Public Accountants)
Banks	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Corporate Bank, Ltd.

Board of Directors/Auditors (as of June 29, 2007)

Representative Director and Chairman	Hiroyasu Takei	Corporate Auditor*	Tomoyasu Ozeki
Representative Director & President Head of Investment Division	Jun Kawada	Corporate Auditor*	Motosuke Hirose
Director of the Board, Head of Administration & Control Division	Masakazu Murao	Managing Director, Investment Division	Koichi Shinada
Director of the Board, Head of Corporate Strategy Group	Katsushi Tanaka	Managing Director, Investment Division	Shichiro Hattori
Standing Corporate Auditor	Hideya Takahashi	Managing Director, Investment Division	Hisao Sakai
Corporate Auditor / Attorney-at-law	Yosihkazu Nagano	Managing Director, Corporate Strategy Group	Ken Hashimoto
Corporate Auditor / Attorney-at-law	Makoto Sakai		Tadakazu Watanabe

* Outside Corporate Auditor as stipulated in Article 2, Item 16 of the Company Law

Fiscal Term	from April 1 to March 31 of the following year
Annual Shareholders' General Meeting	June
Reference Dates	Voting Rights Eligibility at the Annual Shareholders' General Meeting: March 31 Final Dividend: March 31 Interim dividend: September 30
Method for Public Notice	Public notices are published in the <i>Nihon Keizai Shimbun</i> . For Financial Statements, Balance Sheet and Income Statement are disclosed through EDINET (electronic disclosure system for securities reports based on the Securities and Exchange Law).
Administrator of Shareholders' Register	The Chuo Mitsui Trust & Banking Co., Ltd. 33-1, Shiba 3-chome, Minato-ku, Tokyo
Main Administration Office	Head Office, The Chuo Mitsui Trust & Banking Co., Ltd. 33-1, Shiba 3-chome, Minato-ku, Tokyo
Administration Center	Transfer Agent Center 8-4, Izumi 2-chome, Suginami-ku Tokyo, 168-0063 Tel: 0120-78-2031 (free dial)
Contact stations	Head office and branch offices of Chuo Mitsui Trust & Banking Co., Ltd. Head office and branch offices of Japan Securities Agents Ltd.

Oak Capital Corporation

Sumitomo Fudosan Akasaka Bldg.,
10-24, Akasaka 8-chome, Minato-ku, Tokyo 107-0052, Japan

Head Office

Tel. 81-3-5412-7474 Fax. 81-3-5412-8282

Investment Division

Tel. 81-3-5412-7700 Fax. 81-3-5412-8811

URL: www.oakcapital.jp