

May, 2006

To our customers

NAIGAI NIKKA CO., LTD.
NS COLOR TECHNO CO., LTD.

Re: Merger of NAIGAI NIKKA CO., LTD. and NS COLOR TECHNO CO., LTD.

We would like to express our thanks for your loyal patronage.

We are pleased to inform you that both companies, being subsidiaries of NIPPON KAYAKU CO., LTD., will merge as of June 1, 2006 to newly start as NIKKA FINE TECHNO CO., LTD.

The new company will unify the business market and expertise of the respective companies to make efforts to respond to customer expectations and demands.

We therefore appreciate your generous support of both companies over the past years, and would be grateful for your continued support in the future.

1. Company name: **NIKKA FINE TECHNO CO., LTD.**
2. Headquarters: 2-6, Uchikanda 2-chome, Chiyoda-ku, Tokyo (Tanaka Bldg. 7th floor)
3. Capital: 22.5 million yen
4. Executives
 - President Shigeyuki Watanabe
 - Director Shoji Fujiwara (General Manager, Functional Products Division)
 - Director Tetsuo Inoue (Sales Manager, Tokyo Sales Group)
 - Director Wataru Nakagawa (General Manager, Color Chemical Division)
 - Director Yoshimi Sasanuma (General Manager, Fine Chemical Division)
 - Director Keizo Shimomiya (General Manager, Electronic Materials Division, Nippon Kayaku Co., Ltd.)
 - Director Toshihide Higashida (General Manager, Color Chemicals Division, Nippon Kayaku Co., Ltd.)
 - Auditor Junji Sasaki (Finance & Account Division, Nippon Kayaku Co., Ltd.)
5. Yearly sales amount: Approx. 10 billion yen
6. Number of employees: Approx. 50
7. Business starting date: June 1, 2006