

NABESHIMA GROUP
COMPANY PROFILE

OUR PREDECESSORS CONTINUED TO MEET THE NEEDS OF THEIR TIMES

The roots of the Nabeshima Group can be traced back to Jinbei Nabeshima, father of Jinzaburo Nabeshima who first opened Nabeshima Jinzaburo Shoten in Kamiichinomachi in the town (now city) of Takayama, Gifu Prefecture, Japan. At the start of the Meiji Era, Jinbei left his birthplace of the former village of Nyukawa to go to what was then Chikuma Prefecture and now is the city of Matsumoto, Nagano Prefecture, to learn about business. Thinking that if he could begin peddling it would help his home of Takayama to interact with the outside world, his business style was to ask customers what they would like him to bring next time and then trying to meet these requests.

REASONS FOR DIVERSIFYING FROM SALE OF TEA

It would appear that Jinzaburo was the kind of person who wanted to try anything in which he took an interest. Thinking that new business was essential to the town's economic development, he was elected a town councilor and one of the first city councilors when Takayama was incorporated as a city. He also tried out a wide range of businesses, from sale of fertilizer, a trade he had learned in Matsumoto, to sale of explosives, mining marble, and sale of kerosene and sporting goods.

Jinzaburo, who inherited Jinbei's management philosophy of giving people what they want, founded Nabeshima Jinzaburo Shoten to sell green tea in Takayama.

At that time the progress of modernization meant that the general public now was able to consume green tea regularly. Even so, due in part to the low level of name recognition for the store soon after it had opened, Jinzaburo and his first employees sold tea door to door from two-wheeled handcarts. As consumers gradually came to appreciate their hard work, the business was able to establish a stable footing.

In the sporting-goods business, he had craftspeople make skis for jumping from maple wood and entered them to a product competition. He appears to have been in high spirits when they were chosen for an award. In this way, he took part in a succession of businesses from the Meiji Era through the Taisho Era and into the early Showa Era.

百年の歳月も起え、
ナベシマ・グループに
世代を超えて受け継がれる
伝統の経営哲学

THE TRADITIONS AND MANAGEMENT
PHILOSOPHIES OF THE
NABESHIMA GROUP SURVIVE TODAY
AFTER MORE THAN 100 YEARS

TRADING IN EXPLOSIVES WAS A TURNING POINT THAT LED DIRECTLY TO TODAY'S NABESHIMA GROUP

At that time a distant relative of the Nabeshima family was forced by circumstances to abandon the explosives business. Jinzaburo was allowed to take over the business because he had some knowledge of explosives, and in 1927 he obtained an explosives business license and began selling ammunition for firearms.

Desiring to trade directly with explosives manufacturers, Jinzaburo travelled to Miyazaki with a proposal to Japan Nitrogenous Explosives Co., Ltd. (now Asahi Kasei Corporation), which had just begun manufacturing explosives in the city of Nobeoka, Miyazaki Prefecture. At that time it took two to three days each way to travel between Hidatakayama and Nobeoka. On his third visit he finally was able to meet with founder Shitagau Noguchi and was able to begin direct trading as a result.

During the war, head clerk Manzo Kitani supported the company in the absence of

the third President Junzo Nabeshima, who had gone to fight on the front under military-draft system. During the postwar period of recovery Junzo and Kitani laid the foundation for today's Nabeshima Group by growing the company's business performance amid growing demand for civil-engineering and construction work such as building dams.

Although the Nabeshima family had grown its businesses in Hidatakayama, the fourth president Michio Nabeshima began to sense that there were limits to the business that could be done there. In response, he began to develop the construction business in Tokyo, which was thriving amid the rapid economic growth of the period. While it was tough to get work in Tokyo, where the company had no roots, thanks in part to assistance from contacts in the explosives industry he was able somehow to succeed in laying the foundation for the business.

CHANGING BUSINESSES AND UNCHANGING PRINCIPLES: THE KEY TO THE NABESHIMA GROUP'S HISTORY OF MORE THAN 100 YEARS

Although Nabeshima's businesses rode the waves of Japan's rapid economic growth to expand and grow, during the time of the fourth President Michio Nabeshima Japan's economic bubble burst. At that time, Michio resolved to base the company in Tokyo, believing that in the times to come the construction business would grow by building a society rich in amenities.

When the fifth President, Tetsuya Nabeshima, took over the business the Japanese economy once again was in the depths of an economic downturn. Even so, since its founding as Nabeshima Jinzaburo Shoten the Nabeshima had survived countless trials including wars, the postwar period of rapid economic growth, and the collapse of the bubble economy. The Nabeshima Group was formed to oversee

Nabeshima's business by learning from the management philosophy of our predecessors, who overcame each of these trials by adjusting to the social conditions and needs of the times. This built the foundation for today's Group management with the establishment of Nabeshima holdings.

The vision of the founder Jinbei Nabeshima of giving people what they want is deeply rooted at the foundation of the Nabeshima Group's management. Our philosophy of being a company needed by society through constantly creating new things and adapting with the changing times is the reason the Nabeshima Group has survived to today and is a precious asset handed down from our predecessors.

THE FUNDAMENTAL PHILOSOPHY OF THE NABESHIMA GROUP

HELPING TO BUILD AN AMENITY-RICH SOCIETY

The predecessor of Nabeshima Jinzaburo Shoten, founded by Jinzaburo Nabeshima in 1908, was the peddling business of his father Jinbei.

His business was to secure what customers wanted and sell it to them. This was Jinbei's philosophy as a merchant.

While it sounds simple, the concept of giving people, and society, what they want is a business fundamental that remains unchanged over time, and it is the essence of the three basic management philosophies that have been handed down uninterrupted in the Nabeshima family.

I PROVIDE WHAT IS NEEDED TO PEOPLE AND SOCIETY.

II CONSTANTLY TAKE ON THE CHALLENGE OF CREATING SOMETHING NEW

III CONTINUE DELIVERING SAFETY AND PEACE OF MIND TO SOCIETY

Today it is clear that the Nabeshima Group has been able to survive through today because it has steadfastly maintained these three principles across the generations.

We intend to continue over the coming century these principles that we have maintained over the past century.

We also plan to communicate to the world these traditions that we have passed along as a Japanese merchant family.

This is both the mission and the pride of the Nabeshima Group.

NABESHIMA SHOTEN CO., LTD.

FOUNDED SEPTEMBER 1, 1908 INCORPORATED SEPTEMBER 1, 1965

Doing what we can today through building global-standard rules and systems to enable all employees to live with peace of mind and financial security

Nabeshima Shoten serves as the head office for the entire Nabeshima Group, utilizing the history and track record it has built up over more than a century since its founding.

In addition to management consulting and administrative subcontracting, its main

businesses also include comprehensive coordination of management and operations including HR educational and training systems utilizing its own unique training programs. Its main lines of business also include real estate, casualty insurance, and developing, starting up, and operating new businesses for the Nabeshima Group.

LINES OF BUSINESS

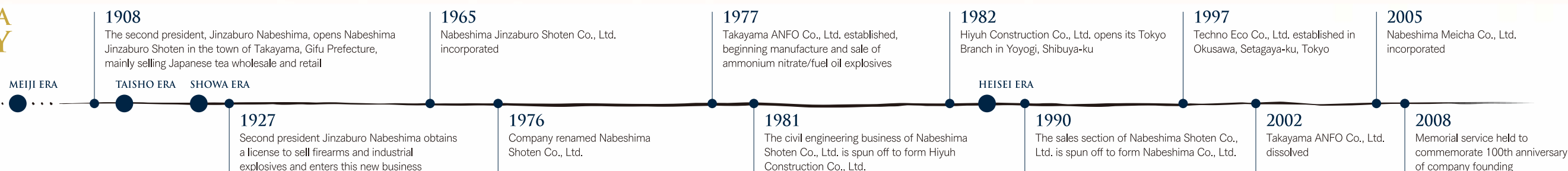
- Supervision and head-office functions for the five companies in the Nabeshima Group
- Education and training programs based on a state-of-the-art training system
- Management consulting, administrative subcontracting, development and administration of computer systems
- Real-estate leasing and management
- Central Takayama agent for Sompo Japan Nipponkoa Insurance Inc.
- Development and management of new businesses (such as black-tea farming and materials development)



Address: 233 Akahokimachi, Takayama, Gifu Prefecture 506-0045 tel. 0577-34-1226, fax 0577-35-1141

NABESHIMA HISTORY

THE FIRST PRESIDENT,
JINBEI NABESHIMA,
BEGINS WORKING AS
A PEDDLER



MAJOR CONTEMPORARY NEWS STORIES

1908 Fourth Summer Olympics held in London
1927 Charles Lindbergh's first successful solo flight across the Atlantic
1965 First successful rendezvous between two spacecraft, the U.S. Gemini 6-A and Gemini 7

1976 Apple Computer (now Apple, Inc.) founded
1977 Jimmy Carter sworn in as U.S. president
1981 Ronald Reagan sworn in as U.S. president

1982 The motion picture E.T. released in Japan, to record box-office revenues in Japan and worldwide
1990 Mikhail Gorbachev takes office as President of the Soviet Union
1997 Hong Kong returned from British to Chinese jurisdiction

2002 Euro bills and coins enter circulation
2005 George W. Bush sworn in for second term as U.S. President
2008 Barack Obama wins election to U.S. presidency



Proposing new perspectives and values to the community through safe, smooth logistics and services, to support the growth of individuals and businesses

NABESHIMA CO., LTD.

INCORPORATED MARCH 1, 1990

Nabeshima's main businesses are sales of explosives and chemicals, its core business since its founding. In recent years, it has adopted a motto that calls for providing products that can be used with peace of mind while also addressing the environmental and safety issues that are of increasing concern today. It is focusing in particular on ensuring that packing materials and protective materials are safe for users.

LINES OF BUSINESS

Construction and Environmental Division

- Firearms products
- Industrial explosives
- Fireworks production
- Toy fireworks
- Event planning
- Event rental

Logistics and Sales Division

- Sale of packing materials, packing equipment, and logistics equipment
- Food sanitation supply solutions



Head office: 233 Akahokimachi, Takayama, Gifu Prefecture 506-0045
tel. 0577-34-3200, fax 0577-34-3202
Kamo Branch: 2400-1 Dota, Kani, Gifu Prefecture 509-0206
tel. 0574-28-5769, fax 0574-28-5773



Generating brand new concepts, and doing what we can today, toward a world free from danger and pollution

TECHNO ECO CO., LTD.

INCORPORATED JUNE 23, 1997

Techno Eco's businesses are based on the theme of creating an amenity-rich society. It aims to preserve natural beauty and a safe environment through protecting the air and water, by minimizing impacts on nature and the environment. It also is involved in the civil engineering, construction, architectural, and recycling businesses as an eco-friendly company working to create a joyful environment for the future.

LINES OF BUSINESS

- Interior and exterior design by first-class registered architects
- Civil engineering work
- Shoring up
- Soil improvement
- Anchor construction
- Demolition
- Blasting, crushing
- Renovation
- Various surveys
- Waste-glass recycling



Head office: 1-17-16 Oyamadai, Setagaya-ku, Tokyo 158-0086
tel. 03-3705-6160 (main switchboard), fax 03-3704-0645
Takayama Branch: 313 Akahokimachi, Takayama, Gifu Prefecture 506-0045
tel. 0577-35-0815, fax 0577-35-2822
Hidatakayama Glass Recycling Plant: 11 Aza Mio, Kiyomicho Makigahora, Takayama, Gifu Prefecture 506-0101



Continually building new initiatives toward communities with comfortable living environments

HIYUH CONSTRUCTION CO., LTD.

INCORPORATED MARCH 1, 1981

Hiyuh Construction is a general contractor with strengths in demolition work and other specialized construction. Since its founding it has given top priority to diligently guarding safety and the environment. In demolition work in particular it has earned the trust of government and public agencies in Tokyo as well as customers in the Hida region, and it employs construction methods that have minimal impacts on the environment.

LINES OF BUSINESS

- Building demolition
- Industrial waste collection and transport
- General civil-engineering work



Head office: 313 Akahokimachi, Takayama, Gifu Prefecture 506-0045
tel. 0577-34-3203, fax 0577-35-2822
Tokyo Branch: 8-9-4 Okusawa, Setagaya-ku, Tokyo 158-0083
tel. 03-3705-6188 (main switchboard), fax 03-3704-0645



Handling all aspects of tea production and communicating solutions to the world

NABESHIMA MEICHA CO., LTD.

FOUNDED SEPTEMBER 1, 1908 INCORPORATED JUNE 1, 2005

Valuing the image from the business's start, Nabeshima Meicha carries out businesses related to tea, the foundation of the Nabeshima Group's businesses, in the area where the Group first got its start. In addition to Japanese green tea, it also offers Hida barley tea made using high-quality 100% Hidatakayama brand grade-A barley and domestically produced Hida black tea made using hot-spring water. It has earned a strong reputation for delivering high-quality tea leaves at affordable prices.

LINES OF BUSINESS

- Sale of tea leaves including green tea (green leaf tea, roasted tea, genmai tea, etc.), Oolong tea, Hida black tea, Hida barley tea, and various herbal teas
- Sale of implements for brewing tea
- Tea lessons (taught by Shofu school tea ceremony masters from the All-Japan Tea Ceremony Federation)



Head office: 12 Shimoichinomachi, Takayama, Gifu Prefecture 506-0843
tel. 0577-32-4086, fax 0577-34-7785

