

The JFTC filed a criminal accusation on the bid-rigging over geological survey business and location survey planning business concerning main forest road projects procured by the Japan Green Resources Agency

(Tentative translation)

May 24, 2007

Japan Fair Trade Commission

The Japan Fair Trade Commission (“JFTC”) has conducted a criminal investigation into bid-rigging over geological survey business and location survey planning business concerning main forest road projects procured by the Japan Green Resources Agency (“JGRA”). As a result of the investigation, the JFTC found a criminal violation of the Antimonopoly Act (“AMA”), and filed a criminal accusation with the Prosecutor-General against four juridical persons, including Japan Forest Engineering Consultants Foundation, in accordance with Article 74 (1) of the AMA.

Outline of the accusation is as follows.

1 Accused Juridical Persons

Name of Accused Juridical Persons	Representative Directors
Japan Forest Engineering Consultants Foundation	Yasuo Ogawa
Forestech Corporation	Hachiro Miyake
Shinko Kosaikai	Takahisa Tsukamoto
Katahira & Engineers Inc.	Tadasu Fujinami

2 Ground of Criminal Accusation

(1) Fact

The above four accused juridical persons agreed with other corporations which conduct businesses concerning geological survey and location survey planning, to prearrange a bid winner following the JGRA’s intent, and also agreed to make a bidding price convenient for a prearranged winner to win a bid over businesses concerning geological survey and location survey planning on main forest road projects procured by the JGRA in FY 2005 and 2006 by way of designated competitive bids etc. In accordance with the agreement, the four judicial persons decided in advance the bid winners, and thereby, contrary to the public interest, substantially restrained competition in the field of trade on the said businesses by mutually restricting and conducting their business activities.

(2) Applicable articles

Article 89 (1) (i), Article 95 (1) (i), and Article 3 (prohibition of unreasonable

restraint of trade) of the AMA, Article 60 of the Penal Code