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To Whom It May Concern

Okamura Corporation

Representative: Kazuyoshi Hisamatsu

President and Representative Director

(Code Number: 7994, Listing: First Sections of Tokyo Stock
Exchange and Osaka Securities Exchange)

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Notice of Employees Pension Fund's Return of Obligation (for Past Service) Back to
Government

The Okamura Corporation Employees Pension Fund, of which Okamura Corporation (hereinafter called "the Company") and some of its domestic consolidated subsidiaries (the Company and subsidiaries together hereinafter called "the Group") are the sponsors, was authorized by the Minister of Health, Labour and Welfare on October 1, 2005, to return back to the government the fund's government-subcontracted obligation as it related to past employee service. This followed the enforcement of the Defined Benefit Corporate Pension Law.

Acting upon this, the Group will adjust the subcontracted obligation of the Group's retirement benefit liability until it equals the amount transferred to the government and recognize the difference in income. This will be deemed effective on the day that it was authorized to return the subcontracted obligation for past service. This accounting treatment complies with Section 44-2 of the Practical Guidelines concerning Accounting for Retirement Benefits (Interim Report) (JICPA Accounting System Committee Report No. 13). At the same time, the Group's unrecognized liability will be written off on a one-off basis to the extent that it is subcontracted by the government. The combined impact on the Company's consolidated and non-consolidated income in its fiscal year ending in March 2006 is estimated to be a gain of 3,319 million yen and a gain of 2,627 million yen (both in extraordinary income), respectively.

Consequent to this, the full-year financial projections for this fiscal year are currently being reviewed carefully, and will be updated once firmed up.