

September 22, 2005

Ryosan Co., Ltd.

President: Tatsuo Ui

(Code: 8140, First Section, Tokyo Stock Exchange)

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Ryosan to Establish Plant in China

Ryosan Co., Ltd. today announced plans to establish a new plant in Foshan City, Guandong, China, to design, manufacture and sell heat sinks.

With both local and Japanese electrical appliance and office automation manufacturers advancing into southern China in droves, demand for Ryosan's heat sinks is rapidly rising. Ryosan intends to capitalize on this demand to expand its business by manufacturing and selling heat sinks aggressively in the Chinese market.

<Outline of the New Manufacturing Company>

1. Company Name: RYOSAN ELECTRONICS (FOSHAN) CO., LTD.
2. Legal Representative: Hiroshi Yoshida, Chairman (Managing Director of Ryosan Co., Ltd.)
3. Location: Shishan Industry Zone B Nanhai, Foshan City, Guandong, China
4. Capital: US\$1.5 million (funded exclusively by Ryosan Co., Ltd.)
5. Product: Heat sinks and related products
6. Annual output: 15 million heat sinks and related products
7. Number of employees: approximately 30 (at the time of establishment)
8. Start of operations: September 2005
9. Floor area: 2,600 m²