

June 16, 2009

Dear Shareholders,

Company name: KROSAKI HARIMA CORPORATION
Representative: Hideki Furuno, President
Securities Code: 5352
(Listed on the First Section of the Tokyo Stock Exchange and the Fukuoka Stock Exchange)

Issue of Unsecured Straight Corporate Bonds

In accordance with a resolution approved by the Board of Directors at a meeting held on March 13, 2009, Krosaki Harima Corporation (“the Company”) will issue its first series of unsecured straight corporate bonds (with a limited inter-bond pari passu clause) (“the Bonds”) as outlined below.

1. Total amount of issue: ¥10 billion
2. The Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, etc., shall apply to all of the Bonds, pursuant to Article 66-2 of said Law. The certificates of the Bonds may be issued, except as specified in Article 67-2 of said Law.
3. Denomination per bond: ¥100 million
4. Interest rate: 1.56% per annum
5. Issue price: ¥100 per face value of ¥100
6. Redemption price: ¥100 per face value of ¥100
7. Term to maturity and redemption methods:
 - 5 years
 - (1) Redemption at maturity
The principal of the Bonds will be redeemed in full on June 23, 2014.
 - (2) Repurchase and redemption
The Bonds may be repurchased for redemption at any time on or after the first day following the closing date, unless otherwise provided for by the book-entry transfer institution.
8. Interest payment dates: The 23rd of June and December
(The first payment date: December 23, 2009
If the interest payment date falls on a bank holiday, the interest shall be paid on the last bank business day immediately before the holiday.)

9. Offering period: Tuesday, June 16, 2009
10. Closing date: Tuesday, June 23, 2009
11. Collateral: No collateral or guarantee is pledged and no assets are specifically reserved to secure the Bonds.
12. Covenants: Negative pledge clause
13. Rating (expected): A (Japan Credit Rating Agency, Ltd.)
14. Underwriters: Underwriting syndicate led by Mizuho Securities Co., Ltd.
15. Place for handling subscriptions: Head office and domestic branches of underwriters
16. Fiscal agent: Mizuho Corporate Bank, Ltd.
17. Book-entry transfer institution: Japan Securities Depository Center, Inc.
18. Issuing and paying agent: Mizuho Corporate Bank, Ltd.
19. Yield to subscribers: 1.560% per annum