

March 19, 2010

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)

### Notice of Changing the Trade Name of a Consolidated Subsidiary

Effective April 1, 2010, K&K CORPORATION (hereinafter “K&K”), a consolidated subsidiary of Krosaki Harima Corporation (“the Company”), will merge (the “Merger”) with two other consolidated subsidiaries of the Company, KROSAKI MACHINE INDUSTRIES Co., Ltd. (“KROSAKI MACHINE”), and KROSAKI SANGYO CORPORATION (“KROSAKI SANGYO”). In this regard, the Company announced today that K&K’s Board of Directors resolved at its meeting held on March 19, 2010, to refer a change of the company’s trade name to its general meeting of shareholders as detailed below.

#### 1. Description of the Companies To Be Merged (as of March 31, 2009)

Trade Name	K&K CORPORATION  (Surviving company)	KROSAKI MACHINE INDUSTRIES Co., Ltd.  (Dissolved company)	KROSAKI SANGYO CORPORATION  (Dissolved company)
(1) Businesses	Contract work related to the manufacturing of refractories, etc.	Fabrication and maintenance of equipment for manufacturing refractories, etc.	Procurement of materials and other services
(2) Establishment	March 9, 2005	April 1, 1978	October 5, 1972
(3) Head office	1-3 Higashihamamachi, Yahatanishi-ku, Kitakyushu City	7-17 Higashihamamachi, Yahatanishi-ku, Kitakyushu City	12-15 Higashihamamachi, Yahatanishi-ku, Kitakyushu City
(4) Representative	Takafumi Seki, Representative Director	Junzo Hasegawa, Representative Director	Yoshiaki Kawase, Representative Director

(5) Capital	¥50,000,000	¥40,000,000	¥40,000,000
(6) Number of shares issued	1,000	80,000	44,000
(7) Net assets	¥184 million (non-consolidated)	¥1,047 million (non-consolidated)	¥660 million (non-consolidated)
(8) Total assets	¥713 million (non-consolidated)	¥2,570 million (non-consolidated)	¥2,187 million (non-consolidated)
(9) Net assets per share	¥184,936 (non-consolidated)	¥13,093 (non-consolidated)	¥15,006 (non-consolidated)
(10) Net sales	¥4,108 million (non-consolidated)	¥5,233 million (non-consolidated)	¥9,777 million (non-consolidated)
(11) Operating income	¥20 million (non-consolidated)	¥297 million (non-consolidated)	¥200 million (non-consolidated)
(12) Ordinary income	¥29 million (non-consolidated)	¥307 million (non-consolidated)	¥166 million (non-consolidated)
(13) Net income (loss)	(¥7 million) (non-consolidated)	¥174 million (non-consolidated)	¥81 million (non-consolidated)
(14) Net income (loss) per share	(¥7,813) (non-consolidated)	¥2,175 (non-consolidated)	¥1,861 (non-consolidated)
(15) Closing date	March 31	March 31	March 31
(16) Major shareholder and shareholding ratio (as of January 1, 2010)	Krosaki Harima Corporation 100%	Krosaki Harima Corporation 100%	Krosaki Harima Corporation 100%

## 2. Reason for the Change

In association with the Merger, K&K intends to change its trade name on the day when the Merger will be effective, which is April 1, 2010.

Said change is subject to approval of “the Matters of Partial Amendments to the Articles of Incorporation” that will be placed on the agenda for K&K’s extraordinary general meeting of shareholders to be held on March 29, 2010.

## 3. Description of the Surviving Company after the Merger (as of April 1, 2010)

(1) Trade name	Krosaki Harima Cera Corporation
(2) Businesses	Contract work related to the manufacturing of refractories, etc., fabrication and maintenance of equipment for manufacturing refractories, and other various services
(3) Head office	1-1 Higashihamamachi, Yahatanishi-ku, Kitakyushu City

(4) Representative	Hiroshi Eguchi, Representative Director, who currently serves as a Director of the Company, but will retire from that position due to the expiration of his term at the conclusion of the 119th Ordinary General Meeting of Shareholders to be held on June 29, 2010.
(5) Capital	¥50,000,000
(6) Closing date	March 31
(7) Future outlook	Effect of the Merger on the Company's consolidated business performance for the fiscal year starting on April 1, 2010, and thereafter will be immaterial.  After the Merger, sales of the surviving company to the Company are expected to surpass 10/100 of the Company's total amount of purchases. Therefore, the surviving company of the Merger is expected to fall under the category of specified subsidiaries.

Note: The above forecasts are based on information available as of the date of this release. Actual results may differ from the forecasts due to various factors.

[Reference] Outline of the Merger

1. Purpose of the Merger

The Merger of the three domestic consolidated subsidiaries of the Company—K&K, KROSAKI MACHINE and KROSAKI SANGYO—is designed to streamline the Krosaki Harima Group's operations and construct a compact business structure that ensures profitability irrespective of fluctuations in the crude steel output of the steel industry, a major customer of the Group, and to stabilize the Group's management and reduce managerial costs through the consolidation of management resources.

2. Schedule for the Merger

Contract of the Merger closed on: December 18, 2009

The Merger will be effective on: April 1, 2010

3. Method of the Merger

The Merger is a merger by absorption, with K&K being the surviving company and KROSAKI MACHINE and KROSAKI SANGYO being dissolved.

4. Allotment of shares in relation to the Merger

There will be no issuance of new shares of K&K and no increase in the capital of K&K. Therefore, no allotment of shares, etc., will occur in relation to the Merger.

5. Handling of stock subscription rights and bonds with subscription warrants of the dissolved companies

The dissolved companies of the Merger, KROSAKI MACHINE and KROSAKI SANGYO, issue neither stock subscription rights nor bonds with subscription warrants.

[Reference] Consolidated Performance Forecasts (Released on February 10, 2010) for the Current Fiscal Year and the Consolidated Business Results for the Previous Fiscal Year

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income (loss)
Consolidated performance forecasts for the year ending March 2010	81,600	2,300	2,400	3,700
Consolidated business results for the year ending March 2009	96,322	3,611	3,126	(2,879)