

C10 ■ Japanese Press Search

Searches conducted through the Japanese press covering 30 national newspapers and 100's of magazines and periodicals focusing on derogatory articles relating to the subject company.

ABC Company

A search was conducted under the subject's name and identified 168 articles. The following 2 derogatory articles were identified:

ABC Company was given a business improvement order

3 November 2006, Asahi/Tokyo

On 2nd of November 2006, The Financial Service Agency (FSA) issued an administrative penalty of business improvement order against ABC Company for violation of the Securities Exchange Law.

According to the FSA, the staff of ABC Company, made discretionary trades on customer's non-discretionary accounts without the customers permission, thereby earning commission at the expense of the customers.

Securities staff embezzled JPY 47 million /Gojo,Nara

31 December 2007, Asahi/Chokan

ABC Company reported an embezzlement scandal involving JPY 47 million to the Kanto Local Financial Bureau.

According to this report, a 41 year old staff member who was in charge of sales at ABC Company embezzled JPY 47 million from the sale of client shares. He was fired and the case was reported to the police. A subsequent investigation revealed he had also defrauded other clients of JPY 164 million and as a result he was charged to court.