
PRESS RELEASE

July 20, 2011

To whom it may concern:

Company Name: Tokyo Keiki Inc.
Representative: Kenichi Waki, President
(Code Number 7721, First Section of Tokyo Stock Exchange)

Company Name: Nagano Keiki Co., Ltd.
Representative: Shigeo Yoda, President
(Code Number 7715, First Section of Tokyo Stock Exchange)

Company Name: Chino Corporation
Representative: Takao Kariya, President
(Code Number 6850, First Section of Tokyo Stock Exchange)

OVAL Corporation
Representative: Jun Tanimoto, President
(Code Number 7727, Second Section of Tokyo Stock Exchange)

Tokyo Keiki Inc., Nagano Keiki Co., Ltd., Chino Corporation and OVAL Corporation tie-up for the Global Water Business

Tokyo Keiki Inc., Nagano Keiki Co., Ltd., Chino Corporation and OVAL Corporation are pleased to announce that they have agreed to enter into a basic agreement to form a comprehensive business tie-up for the global water business. This tie-up is mainly aimed at providing the parties greater access to the global water market which has been expanding rapidly in recent years.

1. Status of the Global Water Business

In recent years, demand for water has been soaring in various parts of the world in pace with the growth in global population, urbanization and industrialization. In rapidly developing countries especially, the ability to secure sufficient and safe sources of daily water for living purposes as well as water for industrial use while ensuring conservation of water resources through proper treatment of wastewater is a matter of great urgency. Under the circumstances, it is expected that the world water market, the current market size of which is estimated at 3.6 billion yen, will expand to 8.7 billion yen by 2025. In this growing market, severe competition has extended worldwide among not only private companies such as those referred to as the “Water Majors” but also to joint public-private organizations that are supported by governments.

2. Purpose of the Business Tie-up

Tokyo Keiki is a leading manufacturer of various kinds of instruments including ultrasonic flowmeters and level gauges and maintains a high share of the domestic water and sewerage market. Nagano Keiki, who dominates the pressure gauge market in Japan, is the largest pressure gauge maker in the world. Chino, a leading manufacturer of instrument and control equipment such as recorders, sensors and loggers, enjoys a solid worldwide reputation for product quality and performance. OVAL, the largest maker of fluid measurement equipment in Japan, has rich experience in overseas markets especially in the oil market.

This four-party agreement is intended to serve as a vehicle in the creation of new and high value products and services on a timely basis - products and services that can satisfy customers worldwide while providing each company with expanded business opportunities. With this objective, this association of companies will promote mutual utilization of the management resources of the other parties, including those for sales, engineering, production, logistics and service, resulting in better positioning of each company’s product lines to enable maximum exploitation of prospects offered by the global water market and other fluid measurement-related markets. Through this venture, the four companies will actively approach and engage with overseas water majors as well as with domestic and overseas plant makers and any local government contemplating development of overseas water markets in cooperation with private sector companies.

3. Outline of the Business Tie-up

Development of overseas water markets is the major aim of this business tie-up.

Details of the collaboration will be determined on the basis of the following considerations.

(1) Collaboration on Sales

- To create a new brand symbolizing the four-company tie-up.
- To enhance product lines, sales activities and customer support through mutual use of each company's overseas stations for sales, logistics and service.

(2) Development of high value added products including instrumentation system packages

- To develop new products that can provide well-timed response to highly-diversified and large-scale system requirements. The design of such products shall incorporate each company's specialties.

(3) Collaboration on Production

- To utilize effectively each company's production facilities to realize globally competitive products.

4. Profile of the Companies

Tokyo Keiki Inc.

Headquarters : 16-46, Minamikamat 2-chome, Ohta-ku, Tokyo, Japan
 President : Kenichi Waki
 Established : May 1, 1896
 Capital : 7,218 million yen
 Employees : 1,372 (Consolidated)
 Company Profile : Developed world's first commercial ultrasonic flowmeter in 1963. The top maker of ultrasonic flowmeters in Japan. Its wide range of products includes marine navigational equipment and systems, hydraulic equipment, defense equipment and systems and microwave devices.

Nagano Keiki Co., Ltd.

Headquarters : 1-30-4 Higashimagome, Ohta-ku Tokyo, Japan
 President : Shigeo Yoda
 Established : May 1, 1896
 Capital : 4,380 million yen
 Employees : 2,031 (Consolidated)
 Company Profile : Separated from Tokyo Keiki Inc. in 1948. Known as a top, world-class producer of pressure gauges. Acquired 100 percent ownership of Ashcroft Holdings, Inc., a leading USA pressure gauge maker in 2006. The Nagano Keiki Group is the world's largest pressure gauge manufacturer.

Chino Corporation

Headquarters : 32-8, Kumano-cho, Itabashi-ku, Tokyo 173-8632, Japan
 President : Takao Kariya
 Established : March 1, 1913
 Capital : 4,292 million yen
 Employees : 916 (Consolidated)
 Company Profile : A leading instrument and control equipment maker supplying instrumentation systems including fuel cell performance testing equipment and compressor testing equipment as well as thermographic equipment which displays images of temperature distribution, in addition to the company's mainstay product, temperature measurement and control equipment.

OVAL Corporation

Headquarters : 10-8, Kamiochiai 3-chome, Shinjuku-ku, Tokyo, 161-8508 Japan
President : Jun Tanimoto
Established : May 10, 1949
Capital : 2,200 million yen
Employees : 632 (Consolidated)
Company Profile : A leading maker of flowmeters including positive displacement, vortex and Coriolis flowmeters. OVAL supplies products worldwide, especially to the oil markets including Korea, Taiwan, China (Beijing, Shanghai, Hefei), Singapore, Thailand, Viet Nam, Indonesia, Malaysia and Holland.

For inquiries, please contact:

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