

October 29, 2008

To whom it may concern

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Establishment of a Third-Party Committee for Investigation into the Procedures and Processes Leading up to the Company's Announcement of an Affirmative View Regarding a Tender Offer for the Shares of the Company

Charle Co., Ltd. (the "Company"), is pleased to announce that the Company, at a meeting of its Board of Directors held on October 26, 2008, adopted the resolution "Establishment of a Third-Party Committee for Investigation into the Procedures and Processes for the Determination of the Company's Announcement of an Affirmative View Regarding a Tender Offer in the Company Shares" as below.

As described in the "Announcement of An Affirmative View Regarding a Tender Offer in the Company Shares" dated September 19, 2008, the Company expressed an affirmative view regarding a tender offer (the "Tender Offer") by Southern Eagle Inc. and Otto Inc. for shares of common stock of the Company.

At this juncture, given the recent internal reports, etc., concerning the procedures and processes leading up to the resolution for the Company's announcement of an affirmative view regarding the Tender Offer, the Board of Directors has decided to establish a third-party committee (the "Committee") to be composed of external and independent knowledgeable persons that will investigate and evaluate facts of the above-mentioned procedures and processes including the authenticity of the internal reports.

The results of the investigation by the Committee will be announced at a later date upon receiving a report therefrom.

1. Purpose of the Committee

The Committee has the purpose of investigating facts and conducting evaluation concerning procedures and processes leading up to the resolution for the Company's announcement of an affirmative view regarding the Tender Offer.

2. Constituent Members of the Committee

In view of the purpose of the Committee to be established as in 1. above, the Company has requested Kitahama Partners, which specializes in legal affairs, to establish the Committee and conduct relevant surveys. The following committee members were appointed by Kitahama Partners.

	Current position	Name
Committee chairperson	Lawyer, Kitahama Partners, Foreign Law Joint Enterprise	Toru Watanabe
Commission member	Same as above	Taisuke Igaki
Commission member	Same as above	Takehiro Oishi
Commission member	Same as above	Toru Miki

3. Schedules, etc.

The results of the investigation by the Committee are scheduled to be reported on Friday, November 7, 2008. However, irrespective of the schedule, the results will be announced upon completion of the investigation. The Company does not intend to modify the Company's announcement of an affirmative view regarding the Tender Offer (announced on September 19, 2008).