



October 8, 2004

Listed Company Name: Plaza Create Co., Ltd.  
Representative: Yasuhiro Oshima, President  
Code Number: 7502 (JASDAQ)  
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**Notification Concerning Takeover Bid and Transfer of Subsidiary**

Following a capital increase through a third party placement by GignoSystem Japan, Inc. (hereafter Gigno System), a Plaza Create Co., Ltd. subsidiary, that was entirely subscribed by Tokyo FM Broadcasting Co., Ltd. (hereafter FM Tokyo), GignoSystem will no longer be listed as one of Plaza Create's subsidiaries. Furthermore, the Board of Directors of Plaza Create, meeting on October 8, 2004, approved a resolution to accept the tender offer for GignoSystem shares from FM Tokyo. Details are explained below.

1. Background

GignoSystem's core activity is the distribution of pay content on mobile phone networks. In accordance with its policy of raising corporate value in the group management, GignoSystem has explored the possibility of a business tie-up or collaboration arrangement with a third party, in addition to working with Plaza Create.

Plaza Create concluded that business collaboration with FM Tokyo, which sought to enter the mobile phone pay content distribution business, would give GignoSystem access to the media, and create an excellent opportunity to tap the potential of FM radio-equipped mobile phones, which are expected to become commonplace in the near future. Such a move would contribute to the business growth and development of both firms. The decision to approve capital ties and removal of GignoSystem from Plaza Create's list of subsidiaries reflects these considerations.

Plaza Create will remain the second largest shareholder of GignoSystem even after the capital tie-up between GignoSystem and FM Tokyo. Furthermore, management sees that the use of Plaza Create's store network for joint operations by GignoSystem and FM Tokyo will contribute to raising the corporate value of the Company.

2. Profile of Company to Be Excluded from List of Subsidiaries (As of March 31, 2004)

- (1) Business Name                   GignoSystem Japan, Inc.
- (2) Business                         Mobile phone pay content distribution service, system solutions  
  business
- (3) Date Established                December 26, 1996

(4) Head Office Location 3 Rokuban-cho, Chiyoda-ku, Tokyo, Japan

(5) Representative Keiko Iida

(6) Capital ¥1,126 million

(7) Employees 41

(8) Major Shareholders and Percentage of Shares Held

Shareholder name	Shares held (shares)	Percentage of shares held (%)
Plaza Create Co., Ltd.	34,550	51.20
Japan Trustee Services Bank, Ltd. (trust account)	2,585	3.83
JP Morgan Chase Oppenheimer Funds JASDEC Account (Standing proxy: The Bank of Tokyo-Mitsubishi, Ltd.)	2,200	3.26
Softbank Corporation	2,000	2.96
Ricoh Company, Ltd.	1,800	2.66
The Chase Manhattan Bank, N.A. London SL Omnibus Account (Standing proxy: Mizuho Corporate Bank, Ltd., Kabutocho Custody & Proxy Department within the Settlement & Clearing Services Division)	1,398	2.07
The Master Trust Bank of Japan, Ltd. (trust account)	1,227	1.81
Euroclear Bank SA/NV (Standing proxy: The Bank of Tokyo-Mitsubishi, Ltd.)	1,000	1.48
Morgan Stanley Japan, Ltd. (Standing proxy: Morgan Stanley, Ltd., Tokyo Branch)	847	1.25
Osaka Securities Finance Company, Ltd.	833	1.23

(9) Shares Outstanding 67,474

(10) Fiscal Year-End March 31

(11) Major Office 3 Rokuban-cho, Chiyoda-ku, Tokyo, Japan

(12) Results of the Two Most Recent Fiscal Years (Millions of yen, except where noted)

Fiscal year	FY ended March 2003	FY ended March 2004
Revenues	5,505	5,002
Gross profit	2,256	2,060
Operating income	1,233	1,081
Ordinary income	1,233	1,051
Net income	815	605
Total assets	4,582	5,483
Shareholders' equity	3,115	4,133
Dividends per share (yen)	1,500	1,500

Note: Since the Company started preparing consolidated financial statements effective from the fiscal year ended March 2004, amounts for the fiscal year ended March 2003 are on a non-consolidated basis.

### 3. Profile of Subscriber to GignoSystem's Third-party Placement and Tender Offer

(1) Business Name FM Tokyo Co., Ltd.

(2) Representative Wataru Goto

(3) Head Office Location 1-7 Kojimachi, Chiyoda-ku, Tokyo

(4) Business Broadcasting

(5) Relationship with Plaza Create There is no capital, personnel or business relationship

#### 4. Change in the Status of Subsidiary

- (1) The number of voting rights and the percentage of total voting rights held by Plaza Create before and after the change in status of the subsidiary:

	(Before)	(After)
1) Voting rights currently held: (Shares held by Plaza Create)	34,550	34,550
2) Total number of voting rights (Shares outstanding)	67,474	92,474
3) Percentage of voting rights held by Plaza Create (Percentage of shares held by Plaza Create)	51.20%	37.36%

- (2) Reason for change of status and effective date

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|-------------------|---|
| 1) Reason         | The share of voting rights held by Plaza Create will decline as a result of the planned third party placement by GignoSystem. |
| 2) Effective date | October 27, 2004 (effective date of capital increase)   |

#### 5. Positive Response to the TOB

- (1) Number of shares to be purchased under tender offer and number of shares to be surrendered by Plaza Create

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|---|---------------|
| 1) Number of shares in tender offer                   | 25,000 shares |
| 2) Number of shares to be surrendered by Plaza Create | 25,000 shares |

- (2) TOB schedule

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|-------------------|---|
| October 13, 2004  | Notification of the commencement date of tender offer |
| November 4, 2004  | Termination date of tender offer                      |
| November 11, 2004 | Commencement of settlement under tender offer         |

- (3) Details on tender offer

Details of the tender offer will be announced in the “Notification Regarding Commencement of Tender Offer” to be placed in the October 13, 2004 morning edition of the *Nihon Keizai Shimbun* and the *Sankei Shimbun*.

#### 6. Effect on Operating Results

In the current consolidated fiscal year, Plaza Create expects to book a gain on changes in equity interest in subsidiary resulting from the third-party placement by GignoSystem. Furthermore, the Company will book a gain on sale of securities resulting from the acceptance (partial or full) of the tender offer. However, the number of shares to be sold under the tender offer has not been finalized at this point.

In view of the above factors, Plaza Create plans to disclose the impact of the above events on its operating results as soon as it can be ascertained.

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