



December 10, 2008

To whom it may concern:

Company: RADIA HOLDINGS, INC.  
Representative: Shinichi Horii  
Representative Director and President  
(Code No. 4723 TSE 2<sup>nd</sup> Section)  
Contact: Hideshi Tachiyama  
Senior Executive Officer  
General Manager,  
Public Relations and Investor Relations  
Division  
(TEL: 03-3405-9262)

### Announcement of Business Transfer of Subsidiary Company

As already disclosed in the release entitled "Notice of Scheduled Change (Assignment) of Certain Subsidiaries and Certain Subsidiary Operations" dated December 25, 2007, as part of selection and focus strategy for our group management, the company was moving forward on the change (transfer) of theme restaurant business unit of our consolidated subsidiary company, Food Scope, Inc. (hereinafter referred to as "FS"). However, our board of directors' meeting held on December 10, 2008 decided to transfer the entire FS business to Secret Table Co., Ltd. effective February 1, 2009. FS will terminate its entire business operation upon completion of this business transfer transaction. Details of this business transfer are as follows:

#### Details

1. Reason for the business transfer  
As part of selection and focus strategy for our group management.
2. Overview of Food Scope, Inc.
  - (1) Trading name: Food Scope, Inc.
  - (2) Representative: Hideki Yamashita
  - (3) Location: 7-11, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo
  - (4) Established: May 21, 1998
  - (5) Major line of business: Restaurant management

- (6) Fiscal year end: June
- (7) Number of employees:  
1,123 (as of the end October 2008, 279 regular employees and 844 part-time employees)
- (8) Capital: 100 million yen
- (9) Issued and outstanding shares: 24,299 shares
- (10) Major shareholders and percentages of total equity: Advantage Associates Japan, Inc. (100%)
- (11) Performance of Food Scope, Inc. for the most recent fiscal years:

	FYE June 2006	FYE June 2007	FYE June 2008
Revenue	6,028 million yen	9,063 million yen	9,170 million yen
Gross profits	4,188 million yen	6,343 million yen	6,429 million yen
Operating profits	-329 million yen	-153 million yen	-1,136 million yen
Recurring profits	-143 million yen	-92 million yen	-1,258 million yen
Net income	-903 million yen	-2,075 million yen	-2,634 million yen
Total assets	4,230 million yen	4,660 million yen	3,712 million yen
Net assets	104 million yen	-757 million yen	-3,391 million yen
Dividend per share	0 yen	0 yen	0 yen

3. Transferred assets, liabilities and respective amount (as of the end September 2008)

Assets		Liabilities	
Items	Amount in book value	Items	Amount in book value
Tangible fixed assets	1,121 million yen	Total liabilities	256 million yen
Intangible fixed assets	33 million yen	Total net assets	2,040 million yen
Other assets	1,141 million yen		
Total assets	2,296 million yen	Total assets and liabilities	2,296 million yen

The number of restaurants subject to transfer will be thirty-seven that are operating as of December 10, 2008.

Total performance of such restaurants as of the end of June 2008 was 7,472 million yen for the sales volume and 74 million yen for the business profit.

4. Transfer price

1,205 mil. yen (tentative)

5. Transferee of the business

- (1) Trading name: Secret Table Co., Ltd.
- (2) Representative: Atsuhisa Matsumura
- (3) Location: Imaasa Building 4F, 1-21, Higashi Shinbashi 1-chome, Minato-ku

Tokyo

- (4) Established: December 10, 2008
- (5) Major line of business: Restaurant management
- (6) Fiscal year end: February
- (7) Number of employees: 0 person (as of establishment date)
- (8) Capital: 100 million yen
- (9) Issued and outstanding shares: 2,000 shares
- (10) Major shareholders and percentages of total equity: Diamond Dining Co., Ltd. (100%)
- (11) Relationship with our company: No special relations

6. Schedule

December 10, 2008 Boards of directors resolution on business transfer

December 10, 2008 Conclusion of Business Transfer Agreement (FS)

February 1, 2009 Business transfer effective date (tentative)

7. Future outlook

We are currently calculating the impact of this business transfer on our consolidated business results and as soon as the numbers are determined, we will issue an announcement.

End of document

For your reference:

Overview of Diamond Dining Co., Ltd.

- (1) Trading name: Diamond Dining Co., Ltd.
- (2) Representative: Atsuhisa Matsumura
- (3) Location: Imaasa Building 4F, 1-21, Higashi Shinbashi 1-chome, Minato-ku  
Tokyo
- (4) Established: March 1, 1996
- (5) Major line of business: Restaurant management
- (6) Fiscal year end: February
- (7) Number of employees: 1,250 (as at end October 2008, 257 regular employees and 993 part-time employees)
- (8) Capital: 493.94 million yen

(9) Issued and outstanding shares: 5,747 shares

(10) Major shareholders and percentages of total equity: Atsuhisa Matsumura (43.8%), Matsumuraya Co., Ltd (10.8%)

(11) Relationship with our company: no special relations

(12) Performance of Diamond Dining Co., Ltd. for the most recent fiscal years:

	FYE February 2006	February 2007	February 2008
Revenue	1,753 million yen	3,504 million yen	5,948 million yen
Gross Profit	1,344 million yen	2,634 million yen	4,419 million yen
Operating profits	69 million yen	259 million yen	319 million yen
Recurring profits	65 million yen	280 million yen	320 million yen
Net income	24 million yen	140 million yen	166 million yen
Total assets	1,211 million yen	2,405 million yen	3,394 million yen
Net assets	426 million yen	567 million yen	1,325 million yen
Dividend per share	0 yen	0 yen	0 yen