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FOR IMMEDIATE RELEASE

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Notice on RISA Partners Informally Appointed as Sponsor for Supporting
Revitalization of ALPICO Group

RISA Partners, Inc. announces it has reached a basic agreement today with the ALPICO Group, comprised of Matsumoto Electric Railway Co., Ltd. and other 18 companies, on a business sponsorship for RISA Partners to support ALPICO Group's business restructuring plan. As business sponsor, RISA Partners will undertake up to 2.5 billion yen of the capital increase the ALPICO plans to implement through a third party allotment. The undertaking will be conducted through the RISA Corporate Solution Fund (RCSF), a fund managed and operated by the RISA Partners Group. Outlines of the major companies in the ALPICO Group are described below.

RISA Partners is under discussion with the ALPICO Group for details of the investment scheme, investment contract and other issues. The details will be disclosed as soon as they are determined.

The ALPICO Group goes back to 1920 when Chikuma Electric Railway Co., Ltd. (present Matsumoto Electric Railway Co., Ltd.) was established. The Group has become a core company in Nagano Prefecture as well as in the Matsumoto area of the prefecture by taking advantage of the social changes to participate in retail and hotel businesses, and has played an important role in the development of the local economy. Currently, the Group is engaged in diversified businesses including public transportation, retail, hotel and other operations (such as resort, transport, leisure and services, agency and real estate businesses). However, the diversification not only failed to create but rather deteriorated the Group's business values, as the Group lacked group-wide management strategies and corporate governance.

In order to reconstruct itself, the ALPICO Group has a business restructuring plan in accordance with the Guidelines for Multi-Credit Out-of-Court Workouts, and under the support of The Hachijuni

Bank, Ltd., its main bank. Moreover, the ALPICO Group has made an institutional decision to invite capital injection by new sponsors, and agreed to accept the undertaking by RCSF of the capital increase through third party allotment, and the functions and other support provided by the RISA Partners Group.

As the business sponsor, RISA Partners Group will utilize its accumulated know-how and a variety of functions to entirely support the ALPICO Group, which has a major impact on the local economy, in partnership with The Hachijuni Bank, a major financial institution. In particular, Frontier Management Inc., one of RISA Partners' consolidated subsidiaries, will dispatch board directors to the ALPICO Group to support its planning of management schemes and strategies as well as to implement the business restructuring plans.

1. Overview of the Major Three Companies of the ALPICO Group (as of September 30, 2007)

a. Matsumoto Electric Railway Co., Ltd.

- (1) Representative: Toru Takizawa
- (2) Address: 2-1-1, Igawajo, Matsumoto-shi, Nagano
- (3) Major lines of business: Railway, automobile, air service, real estate and restaurant operations

b. Apple Land Co., Ltd.

- (1) Representative: Chiho Takizawa
- (2) Address: 7155-28, Imai, Matsumoto-shi, Nagano
- (3) Major lines of business: Supermarket, restaurant, real estate and home shopping operations

c. Toyo Kanko Jigyo Co., Ltd.

- (1) Representative: Shozo Kobayashi
- (2) Address: 4035-170 Kitayama, Chino-shi, Nagano
- (3) Major lines of business: Hotel, real estate, golf club, driving school, resort development, second house management and services and construction operations

2. Impact on the Performance of RISA Partners

The arrangement will have no impact on the performance of RISA Partners for the current fiscal year, since the payment of the investment capital will be made around April 2008. The impact on performance for the next fiscal year will be disclosed when the forecast is made, as details on the investment contract and other issues are currently being discussed with the ALPICO Group.