



December 24, 2008

Whom it may concern

A&D Company, Limited
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Notification concerning the acquisition of the shares of
Best Instruments Co., Ltd.
(A New Subsidiary)

Today, A&D Company, Limited would like to announce that we have executed a share transfer agreement with Best Instruments Co., Ltd. We will integrate Best Instruments Co., Ltd. as a new subsidiary of A&D Company, Limited as disclosed in the statement, "Notification for the conclusion of a basic agreement concerning the acquisition of the shares of Best Instruments Co., Ltd.," upon our acquisition of the shares of Best Instruments Co., Ltd., dated September 1, 2008. The terms of the agreement are as follows:

1. Purpose for acquisition of shares

Best Instruments Co., Ltd. has been developing environmental measuring instruments since being established in 1987, and has acquired a favorable reputation both in the Japanese market and overseas for its engine exhaust measuring system. At the same time, A&D Company, Limited has positioned DSP (measurement, control and simulation systems) to be our core business in the future, and we have been actively concentrating on developing technology for the automotive industry and on penetrating new markets. The integration of Best Instruments Co., Ltd.'s environmental measuring technology with our DSP technology will make it possible to develop even more advanced usability systems. Furthermore, by addressing the market demand for global environmental conservation and the demand to streamline the automotive development process, the A&D group is definitively on a path towards future growth.

2. Outline of the new subsidiary

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|--------------------------|--|
| 1) Company name | Best Instruments Co., Ltd. |
| 2) Representative | President & CEO, Kotaro Takahashi |
| 3) Office Location | 111 Nakatsutsumi, Kouzuya, Yawata-City, Kyoto 614-8176 |
| 4) Date of establishment | May 1, 1987 |
| 5) Main business | Manufacturing and sales of environmental measuring instruments (engine exhaust gas measurement systems, fuel cell related measurement systems, various gas analysis systems, etc.) |
| 6) Accounting term | April 30 |
| 7) Number of employees | 47 |

- 8) Main offices Kyoto and 5 other offices nationwide
- 9) Amount of Capital Yen 20 million
- 10) Total shares issued 400 (including own shares of 129)
- 11) Major shareholders and ownership ratio (basis for shareholder voting rights)

Kotaro Takahashi 271 shares (100.0%)

12) Performance results for the last 2 fiscal years

(Unit: million/yen)

	April 2007	April 2008
Net Sales	1,508	1,807
Gross profit from sales	529	1,020
Operating Income	14	456
Ordinary Income	4	486
Net Income	44	278
Total Assets	1,540	2,210
Net Assets	190	468
Dividend per share	0	0

- 3. Acquisition of shares
 - 1) Contents Major shareholder, Kotaro Takahashi
 - 2) Affiliations: There are no capital, personnel or transactional affiliations between A&D Company, Limited and Best Instruments Co., Ltd.
- 4. Number of shares acquired, acquisition value, and pre/post acquisition ownership of shares (basis for shareholder voting rights)
 - 1) Ownership of shares before acquisition 0 (ownership percentage 0.0%)
(number of shareholder voting rights: 0)
 - 2) Number of shares acquired 271 shares (ownership percentage 100.0%)
(number of shareholder voting rights: 271)
 - 3) Ownership of shares after acquisition 271 shares (ownership percentage 100.0%)
(number of shareholder voting rights: 271)
- 5. Schedule

December 24, 2008	Execution of share transfer agreement
January 5, 2009	Share acquisition (transfer) date
- 6. Future outlook

At present, A&D Company, Limited is in the process of evaluating the effects of the abovementioned acquisition on our consolidated performance for the fiscal year ending March 31, 2009. A&D Company, Limited will promptly issue a notification upon the completion of the evaluation.