

An announcement from the newly appointed interim trustees
October 26, 2007

Nova Corporation

Interim Trustee Lawyer Toshiaki Higashibata

Interim Trustee Lawyer Noriaki Takahashi

1. Order to preserve assets and ban of comprehensive action.

Nova Corporation (hereinafter referred to as Nova) filed for reorganization proceedings on October 26, 2007 (case number: Osaka District Court (mi) dai 7 go), and on the same day an order to preserve assets was issued and we two lawyers were appointed as the interim trustees of Nova.

As we have been appointed as the interim trustees of Nova by the Osaka District Court, we inform you that as of today all authority relating to the company's business management, and administration and disposition of the company's properties, are transferred to the interim trustees. We also inform you that a ban of comprehensive action has been issued at the same time as the order to preserve assets, so any execution of compulsory orders against Nova or coercive collection such as national tax is forbidden by the court.

2. Regarding Nova's operating policy from now on.

We, considering the current situation of Nova, and in order to promptly decide if it is possible to rebuild the business through reorganization proceedings while avoiding immediate confusion and preserving properties, will suspend business operations at all branches temporarily, and ask employees to stand by at home. During that time we will try our best to find a sponsor as soon as possible and assign the company's business to the sponsor, and resume the company's operations to secure the employment of employees and the continuation of providing a learning environment to all students. Of course we have no choice but to close unprofitable branches in a prompt manner, after due consideration.

The language education systems such as 'Ekimae Ryugaku', 'Ochanoma Ryugaku' and 'Nova Kids', as well as the network system that Nova possesses with its very large number of members, are precious social assets, and to protect the over 300,000 students from damage guidance and cooperation from the relevant administrative government agencies is essential, and we are planning to search extensively for a sponsor from the business world.

While minimizing damage to the business value of NOVA, we will put forward our best efforts to try and select a sponsor who can take over our business as soon as possible.

The time we have been given is limited. This may cause great inconvenience but we would like to ask all our clients the students, the employees, and associated parties for your understanding and cooperation in the operation to preserve assets.

3. Regarding contact with related parties from now on.

As this corporate reorganization case, according to the petition, is a case where there is a significant number of related people including 300,000 or so students, and around 7,000 employees (currently the number may be considerably fewer), it is obviously predicted that it will be impossible to deal with all inquiries.

Therefore, we would like to ask you, in principle, to refer to the press release or our website to contact related parties, and for the status of preservation of assets and any new business operation policies.

Furthermore, we would like to ask you to fax or mail individual inquiries to the following fax number or address, as it is difficult to deal with them by phone. While this may cause considerable inconvenience to all related parties we would appreciate your understanding towards the particular nature of this case where there are an extremely large number of related parties.

Fax number: 06-6649-9790

Address: Midosuji Minami Bldg 4th floor
2-3-2 Nishi Shinsaibashi,
Chuo-ku, Osaka

4. To all students

In principle, we will notify students of any announcements on our website. Please refer to our website.

Additionally, please refer to the 'Q & A for students'