

*May 20, 2010*

### **Notice of Transfer of Specified Subsidiary**

A specified subsidiary of TYO Inc. has been transferred for the third quarter ended April 30, 2010. Details are provided below.

#### 1. Reason for transfer

TYO sold a portion of Digital Frontier Inc. shares to Fields Corporation on April 16, 2010. In accordance with the sale, TYO considered all the various factors including TYO's holdings in Digital Frontier subsidiary Mahotsukai ni Taisetsuna Koto Production Committee and dominance. As a result, TYO acknowledged the transfer of the specified subsidiary today. Due to the above reason, in the current third quarter, TYO excluded the Mahotsukai ni Taisetsuna Koto Production Committee from TYO subsidiary.

#### 2. Profile of the Production Committee

(1) Name	Mahotsukai ni Taisetsuna Koto Production Committee	
(2) Representative	Hidenori Ueki, President and Representative Director, Digital Frontier Inc. (managing company)	
(3) Address	1-1-71 Naka-Meguro, Meguro-ku, Tokyo	
(4) Established	June 2008	
(5) Activities	Production, use, ownership and management of movies	
(6) Capital	160 million yen	
(7) Investors and ownership ratio	TYO	10.0%
	Digital Frontier	65.0%

#### 3. Amount of investment by TYO and Digital Frontier before and after transfer

Amount of investment before transfer	120 million yen (ownership ratio 75.0%)
	* A total of investment by TYO and Digital Frontier
Amount of investment after transfer	16 million yen (ownership ratio 10.0%)
	*Investment by TYO

#### 4. Date of transfer

April 16, 2010 (Date of transfer of Digital Frontier shares)

\* As a result of considering all the various factors including the holdings and dominance, TYO acknowledged the transfer today.

#### 5. Outlook

The effect of the transfer of specified subsidiary on the Company's consolidated operating results for the year ending July 2010 is minimal.