

March 26, 2011

To: Our Valued Customers  
Re: The Northeastern Earthquake in Japan on the Showa Group

We at the Showa Group would like to inform you about the effects that the recent tragic events in Japan has had on our company. We understand that there have been questions raised about this recently and below you will find in detail the answers to some of the most common ones. We also would like to thank you for your continued support and concern for our well-being.

#### 1. Northeastern Earthquake and the Fukushima Dai-Ichi Nuclear Power Plant

The 9.0-magnitued earthquake, which is the largest earthquake in the recorded history of Japan, hit the northeastern part of Japan on Friday, March 11, 2011. The center of the earthquake was in Sanriku of the Miyagi prefecture. The massive earthquake and tsunami caused enormous damage over a wide range of area. The Japanese government is making a unified effort towards the relief of the victims and their well-being.

Damage of transportation has been restored with the exception of a few select areas. Fuel shortage as well has all but been eliminated.

The earthquake caused the accident at the Fukushima Dai-Ichi Nuclear Power Plant.

As a result of this, people living within a 20-kilometer radius were directed to evacuate, and those who were living within 30 kilometers were directed to stay indoors. The government and the power plant company are continuing their security efforts.

Due to this chain of events, there have been issues with radiation-contaminated agriculture and water. However, although we are still in an unpredictable situation, officials have informed the public that the nuclear power plant itself is recovering from this crisis situation.

#### 2. Impact on the Showa Group

Fortunately, we have not experienced any known damage that would cause any of our facilities to shut down. There may be some residual effect on transportation and infrastructure as well as periodically scheduled power outages. However, at this point our factories and sales offices are overall operating as usual.

### 3. Delivering Your Orders

Our factory in Japan (Nibuno factory in Himeji, Hyogo prefecture), is located outside of the stricken area, and has not sustained any direct damage from the earthquake or tsunami. Our Malaysian and Vietnam factories are operating as usual. With the exception of select areas most severely affected by these unfortunate events, we should be able to ship our goods to our Japanese and Overseas customers as scheduled.

### 4. Future Prospect

As mentioned above, the damage caused by the earthquakes and tsunami has been limited for our company and should not affect our business in the future. Also, to our knowledge, our suppliers were not adversely affected in a way that would cause any supply issues. Without knowing the impact of any scheduled power outages in the future, our Purchasing Department is safeguarding our supply of raw materials so that our customers receive the products they have ordered. As the situation stands, we intend to produce these products as scheduled for now. We will do everything we can to deliver each order on time. However, there is the possibility of a slight delay at some point due to the overall impact of this disaster.

### 5. Relief and Recovery

We have shipped two 40 ft. containers of products from our Malaysian factory as a donation. These products will be delivered to the disaster areas in cooperation with the local counter measures offices. Additionally, we have also decided to donate 10 million yen to support relief efforts.

We are all still learning of the overall impact caused by these tragic events. We appreciate all of the support we have received from our dedicated customers and look forward to a bright future.

Sincerely,

Tsutomu Shimoda  
President, COO  
SHOWA GLOVE Co.