

*August 3, 2009*

**Notice of Receivables at Septeni Subsidiary (Axel Mark Inc.) Where  
Collection is Impossible or Late**

Axel Mark Inc., a consolidated subsidiary of Septeni Holdings Co., Ltd. has made the following announcement concerning the inability to collect receivables of Axel Mark's business partner MasterWork, Inc. and delays in the receipt of payments for these receivables.

## Notice of Receivables Where Collection is Impossible or Late

Axel Mark Inc. today announced that receivables of its business partner MasterWork, Inc. may not be collected or payments may be late because this company has not repaid a deposit submitted by Axel Mark.

### 1. Profile of debtor

- |                    |  |
|--------------------|--|
| (1) Name           | MasterWork, Inc.                         |
| (2) Head office    | 1-17-16 Shoto, Shibuya-ku, Tokyo         |
| (3) Representative | Yoshiaki Otsubo, Representative Director |
| (4) Capital        | 15 million yen                           |
| (5) Activities     | Digital content rights business, others  |

### 2. Information about the deposit

Axel Mark purchases content for its "X JAPAN.TV" artist website from MasterWork. When Axel Mark started operating this website, a deposit of one million yen was paid to MasterWork to cover part of the site's operating expenses. Another one million yen deposit was paid to this company when this site started selling to members tickets to a year-end countdown concert. There was an agreement under which MasterWork would repay the first one million yen deposit at the end of June 2009 and the second one million yen deposit on January 14, 2009.

### 3. Events at MasterWork and dates

On January 7, 2009, MasterWork asked Axel Mark for a postponement in the payment that was due on January 14, 2009. Agreement was reached to make March 31, 2009 the new date for this payment. However, since the payment was not received on this date, discussions were held by Axel Mark and MasterWork that resulted in an agreement to postpone the payment again, this time to May 18, 2009. But again the deposit was not repaid on the due date.

Due to these delays, Axel Mark and MasterWork have held discussions concerning prospects for the repayment of the two million yen of deposits, including the payment due at the end of June 2009. Since a single repayment is not possible, the decision was made to make these payments in installments over an extended period. Consequently, Axel Mark believes there is a risk that these receivables may not be received or that the payments may be late.

### 4. Type and amount of receivable

- |                        |   |
|------------------------|---|
| (1) Type of receivable | Deposit   |
| (2) Amount             | ¥200,000,000  |
| (3) Pct. of net assets | 14.6% of net assets at the end of the most recent fiscal year<br>(September 30, 2008) |

### 5. Outlook

MasterWork is making utmost efforts to repay the deposits in monthly installments. Axel Mark will do whatever is possible to recover these receivables while monitoring the progress of these monthly payments.

Furthermore, because these deposits may not be repaid or may be repaid late, based on discussions with the independent accountant, Axel Mark plans to add 140 million yen to its allowance for doubtful accounts in the current fiscal year. For more information about this matter, please see today's press release titled "Notice of Extraordinary Loss and Revisions to Earnings and Dividend Forecasts".

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