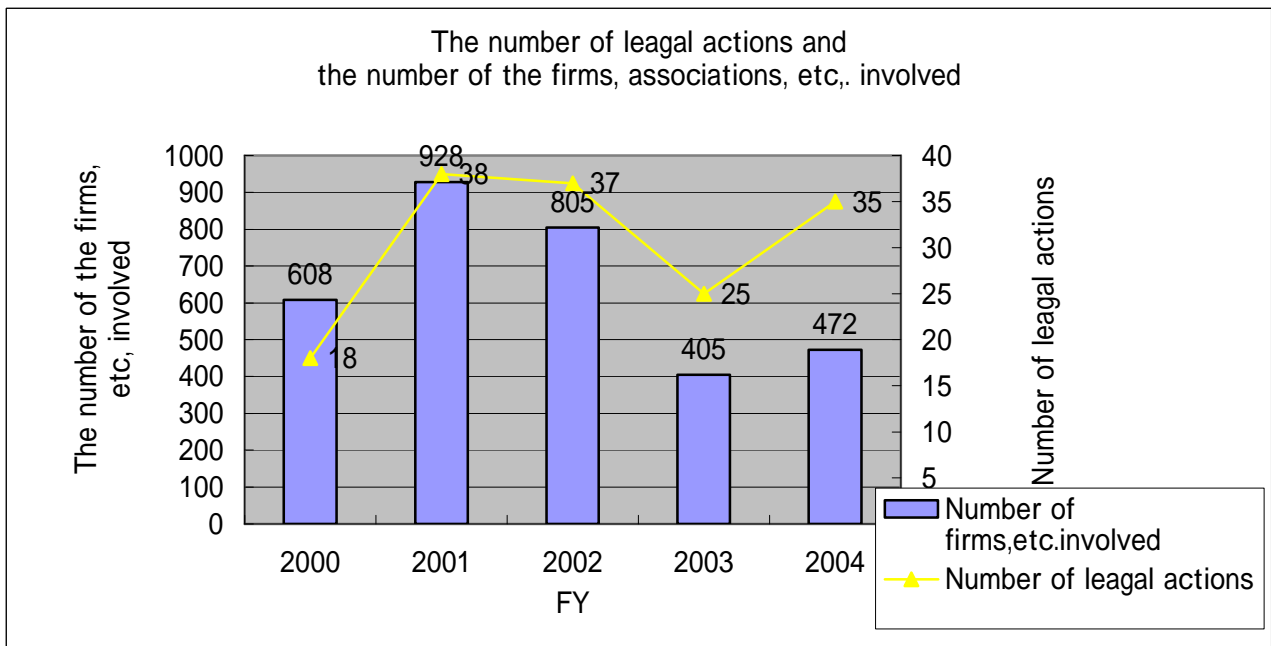


## The Investigation of Violations of the Antimonopoly Act in FY 2004

### 1. Outline

(1) In FY 2004 the JFTC took legal measures against 35 cases (\*) of violations of the Antimonopoly Act involving a total of 472 firms and trade associations. (See the table shown below for the statistics on the violations.)



The 35 cases of legal measures taken in FY 2004 consist of those against 2 private monopolization, 22 bid-riggings, 2 price cartel, 8 unfair trade practices and one others.

The JFTC also issued 1 warning and 60 cautions (excluding cases of unjust low price sale that were speedily disposed of).

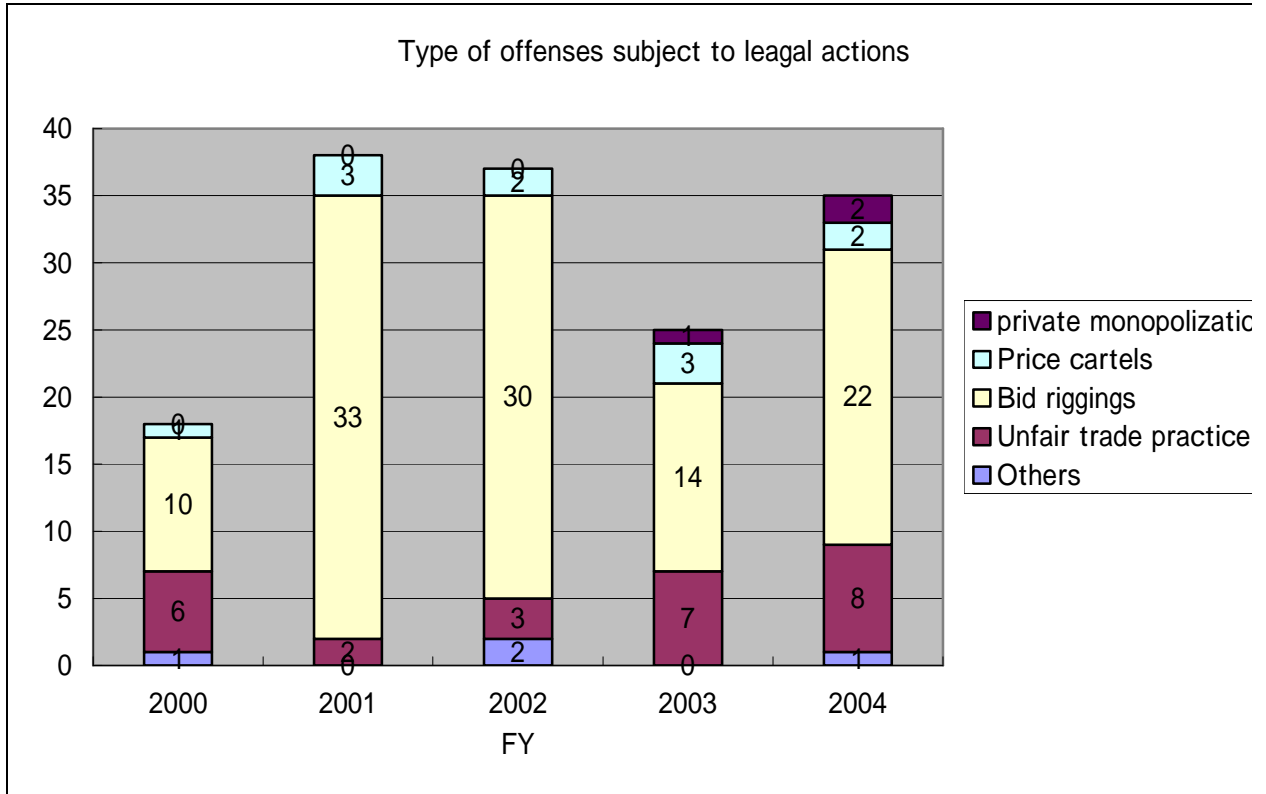
The number of the cases reported to the JFTC in FY 2004 for suspected violation of the Antimonopoly Act was 2,607. In response to such reports, which were filed in writing with the concrete facts of the offense described, the JFTC notifies the reporting party of the type of measure it took or did not take in the case, and made 1,455 such notifications in FY 2004. 1,663 cases were associated with unjust low price sale by retailers, making up about 64% of all reported cases.

\* “Legal measures” includes (i) recommendations and (ii) surcharge payment orders without having given recommendation.

(2) A total of 13,298,630 thousand JPY in surcharge payment orders were issued to 200 firms. involved in violation of the Antimonopoly Act

2. Features of the Cases Investigated in FY 2004

(1) The trend remained unchanged, showing bid rigging to be the most frequent type of violation (see the table below).



3. Surcharge

In FY 2004, the JFTC issued orders to pay surcharges of 13,298,630 thousand JPY in total against firms involved in violation of the Antimonopoly Act.

Out of the 200 firms, 13 firms requested the initiation of hearing procedures and at each request the JFTC decided to initiate hearing procedures (regarding surcharges of 4,260,130 thousand JPY in total). As a result, surcharges of 11,150,290 thousand JPY, including 2,111,790 thousand JPY regarding 32 decisions to order surcharge payment, were determined.

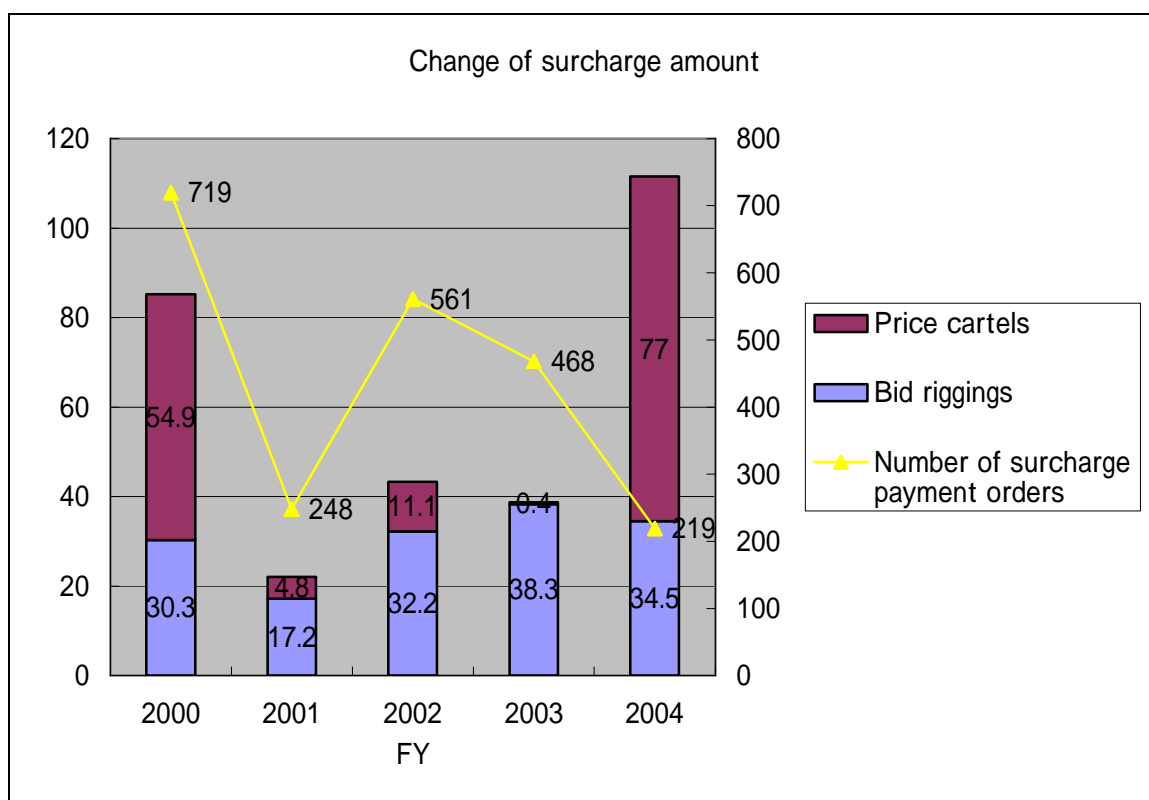


Table 1 Recent status of the measures taken against investigation cases (except prompt measures taken against the investigation case of Unjust Low Price Sales)

Actions				Fiscal Year	2000	2001	2002	2003	2004
number of investigation	Transferred from the previous year				39	34	37	40	38
	Investigation initiated in the current year				69	90	111	121	101
	Total				108	124	148	161	139
Measures	Legal Measures	Number of cases	Recommendation (Decision to initiate Hearing Procedure) (* 1)		18	37	37	25	35
			Number of firms or associations involved		608	894	805	405	472
			Surcharge Payment Order (* 2) (Decision to initiate Hearing Procedure) (* 1)		0	1	0	0	0
			Number of firms or associations involved			34			
			Subtotal		18	38	37	25	35
	Others	Warnings		17	15	17	13	9	
		Cautions		36	26	49	75	60	
		Closures (* 3)		3	8	5	10	16	
		Subtotal		56	49	71	98	85	
	Total				74	87	108	123	120
Transferred to the next year					34	37	40	38	19
Surcharge Payment Order	Number of Cases (*3)				16	15	37	24	26
	(Decision to initiate Hearing Procedure (* 1))				(3)	(4)	(6)	(8)	(8)
	Hearing Decision				3	1	3	7	9

	Number of firms or associations involved (Decision to initiate Hearing Procedure (*4))	708 (13)	284 (37)	592 (38)	507 (53)	200 (13)
	Hearing Decision	24	1	7	14	32
	Surcharge amount (yen) (*5)	8,516.68 million yen	2,199.05 million yen	4,334 million yen	3,869.96 million yen	11,150.29 million yen
Accusations		0	0	0	1	0

(Note 1) The numbers in parenthesis show the number of cases in which hearing procedures relating to recommendations or surcharge payment orders have been initiated.

(Note 2) .The number of surcharge payment orders without recommendation

(Note 3) The number of the cases, in which surcharge payment was ordered only to portion of all firms or associations involved (ie, such surcharge payment orders were issued on different day due to trials made for some firms or associations involved), are counted in the FY in which the first surcharge payment order was issued.

(Note 4) The numbers in parenthesis show the number of firms or associations involved in which hearing procedures relating to surcharge payment orders have been initiated.

(Note 5) The cases include the hearing decisions of surcharge payment orders, but not include the cases in which hearing decisions have been initiated.

Table 2 Status of Prompt Measure Taken Against the Cases of Unjust Low Price Sales

Fiscal Year	2000	2001	2002	2003	2004
Number of cautions against dumping (by prompt measure)	1,044	2,624	1,007	653	627

Table 3 Examination cases in FY2005 (Offense type-specific)

Contents		Fiscal Year	Recommendation	Warning	Caution	Closure	Total
Private Monopolization			2	0	1	2	5
Cartels	Price Cartels (*1)		2	0	3	0	5
	Bid-rigging		22	0	0	0	22
	Other Cartels(*2)		0	0	1	0	1
	Subtotal		24	0	4	0	28
Unfair Trade Practices (*3)	Resale Price Restriction		1	0	5	0	6
	Dealing on Restrictive / Exclusive Terms		1	1	4	2	8
	Interference		0	0	4	3	7
	Abuse of dominant position		5	0	16	3	24
	Dumping		0	8	14	5	27
	Others		1	0	3	0	4
	Subtotal		8	9	46	13	76
Others (*4)			1	0	9	1	11
Total			35	9	60	16	120

(Note 1) Cases concerned with not only price cartels but also other kinds of cartels are all included under the single category of “Price Cartels”. Likewise, cases concerned with various types of conduct are all classified as a kind of principal conduct.

(Note 2) “Other Cartels” mean cartels on quantity, channels of distribution, prohibition of the change of customers and restriction of equipment.

(Note 3) The cases violating Section 8, Item 1(5) are classified as “Unfair Trade Practices”.

(Note 4) “Others” mean restrictions by trade associations on the functions and activities of members and other related conduct.

Table 4 Recent Status of Legal Measures such as recommendation, etc. (offense type-specific)

Contents		Fiscal Year	2000	2001	2002	2003	2004	Total
Private Monopolization			0	0	0	1	2	3
Cartels	Price Cartels (*1)		1	3	2	3	2	11
	Bid-rigging		10	33	30	14	22	109
	Other Cartels(*2)		1	0	1	0	0	2
	Subtotal		12	36	33	17	24	122
Unfair Trade Practices (*3)	Resale Price Restriction		1	1	1	0	1	4
	Dealing on Restrictive / Exclusive Terms		3	0	0	2	1	6
	Interference		1	0	2	3	0	6
	Abuse of dominant position		0	0	0	2	5	7
	Others		1	1	0	0	1	3
	Subtotal		6	2	3	7	8	26
Others (*4)			0	0	1	0	1	2
Total			18	38	37	25	35	153

Remarks: The above notes (1) – (4) are the same as those in Table 3.