



GIKEN SAKATA (S) LIMITED
(the "Company")

(Incorporated in the Republic of Singapore)
Company Registration No. 197903879W

**CONVERSION OF INITIAL LOAN BY MIYOSHI PRECISION LIMITED INTO 23,529,411
ORDINARY SHARES PURSUANT TO INVESTMENT AGREEMENT**

1. The board of directors (the "**Board**") of Giken Sakata (S) Limited (the "**Company**") refers to the announcement made on 4 February 2008 in connection with the entry by the Company into an investment agreement (the "**Investment Agreement**") with Miyoshi Precision Limited ("**Miyoshi**") and the announcement made on 20 August 2008 in relation to the resolutions approving the allotment and issuance of the New Shares and Additional New Shares and the Whitewash Resolution being passed at the Company's extraordinary general meeting held on the same date.

Unless otherwise defined, the terms used in this announcement shall bear the same meanings as defined in the announcement made on 4 February 2008.

2. Pursuant to the Investment Agreement, Miyoshi has the right to convert the principal amount outstanding under the Initial Loan, being S\$1.5 million, into 23,529,411 ordinary shares in the issued share capital of the Company in accordance with the provisions set out in the Investment Agreement.
3. Further to the fulfillment of the Conversion Conditions by the parties, the Board wishes to announce that the Company has received a conversion notice from Miyoshi electing to convert the Initial Loan into New Shares pursuant to the terms of the Investment Agreement.
4. Accordingly, the Company has allotted and issued the 23,529,411 ordinary shares in the share capital of the Company ("**New Shares**") to Miyoshi on 15 September 2008. The New Shares shall be listed for quotation on SGX-Catalist.

For and on behalf of the Board

Ng Say Tiong
Company Secretary
15 September 2008