

Zero Announces Acquisition of Fixed Assets and Start of New Business

August 8, 2008

Company name: ZERO CO., LTD.

Code No: 9028

Tokyo Stock Exchange (Second Section)

(URL <http://www.zero-group.co.jp/>)

Representative: CEO & President

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Acquisition of fixed assets and start of a new business were resolved at the at the Board of Directors' Meeting held on August 8, 2008 as follows.

1. Acquisition of fixed assets

The Company decided to establish a complex logistics center in the site of Kawasaki Logistics Center in Higashi Ougijima, Kawasaki-city, Kanagawa, which has a freezer/refrigerator storage for general cargos such as foods in addition to a function of current logistics base for vehicle transportation

(1)Reason of acquisition

It is aimed for utilizing one of the Company's assets used for the vehicle transportation business, the Company's major business. The Company has logistics centers to pool the vehicles in each area around the nation in order to implement nationwide networks transportation for imported/domestic new cars, used cars and private cars, however, it is usually required a vast flat land. It is considered to be reasonable to have a complex logistics center with the function of general cargo by setting up a multilevel storage without acquiring a new land.

(2)Contents of acquired assets

| | |
|------------------------|--|
| Name | ZERO Kawasaki Complex Logistics Center |
| Location | 22-8 Higashi Ougijima, Kawasaki-ku, Kawasaki, Kanagawa |
| Investment value | 3,500 million yen |
| Building area | 7,350 square meters (2,223 tsubo) |
| Gross floor space | 18,807 square meters (5,689 tsubo) |
| Building specification | Partially steel frame and precast concrete construction Four stories above the ground |
| Truck berth | 24 lanes |

(3)Fund procurement

It is to be paid by the Company's own funds and bank loans.

(4)Acquisition schedule

| | |
|------------------------------|-----------------|
| Commencement of construction | December, 2008 |
| Completion of construction | September, 2009 |

2. Start of a new business

The Company has agreed in principle with Hitachi Transport System, Ltd. (H/O: Koto-ku, Tokyo, President and CEO: Takao Suzuki) to enter into a contract of long-term lease of freezer/refrigerator storage of the abovementioned center for a solid and stable operation therein.

According to Hitachi Transport System, Ltd., utilizing the center will help improve transportation efficiency and reduce costs at the same time, playing a part to provide the customers System Logistics Service to correspond to the logistics optimization needs by individual companies, which they pursue.

(1)Contents

It is to start a storage business. In addition, collaborating distribution service from the center to the Tokyo metropolitan area has been studied and considered with Hitachi Transport System, Ltd.

(2)Commencing time

It is scheduled to be started in October, 2009

(3)Total amount of special expenditure to be

It is included in the investment value of ZERO Kawasaki Complex Logistics Center.

3. Future outlook

Influence on the Company's business performance for the year ending June 30, 2009 along with the acquisition of fixed assets and the commencement of the new business is minor since the construction is not yet started. Thus, influence on the Company's performance after the year ending June 30, 2010 is to be included in the forecast of next fiscal year.

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