

Zero Announces Revision to Earnings Forecasts of Fiscal Year Ending June 30, 2009

November 13, 2008

Company name: ZERO CO., LTD.

Code No: 9028

Tokyo Stock Exchange (Second Section)

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

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ZERO has revised its earnings forecasts of the year ending June 30, 2009 (from July 1, 2008 to June 30, 2009) which were announced at the financial closing on August 8, 2008, considering current business trend and future outlook.

1. Revision to earnings forecasts for the first half of the year ending June 30, 2009(July 1, 2008 to December 31, 2008)

(1) Consolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous Forecast(A)	27,800	530	410	200	11.60
Revised Forecast(B)	26,500	-50	-40	-100	-5.80
Difference(B-A)	-1,300	-580	-450	-300	-
Difference(%)	-4.7	-	-	-	-
Interim results for FY2007	26,906	373	443	194	11.26

(2) Unconsolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous Forecast(A)	24,700	250	200	120	6.96
Revised Forecast(B)	23,400	-350	-280	-200	-11.60
Difference(B-A)	-1,300	-600	-480	-320	-
Difference(%)	-5.3	-	-	-	-
Interim results for FY2007	24,139	251	423	244	14.18

2. Revision to earnings forecasts for the year ending June 30, 2009(July 1, 2008 to June 30, 2009)

(1) Consolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous Forecast(A)	56,500	1,130	980	480	27.85
Revised Forecast(B)	54,700	550	530	180	10.44
Difference(B-A)	-1,800	-580	-450	-300	-
Difference(%)	-3.2	-51.3	-45.9	-62.5	-
Results of FY2007 (Full year)	55,910	1,416	1,527	787	45.67

(2) Unconsolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous Forecast(A)	50,200	520	470	260	15.08
Revised Forecast(B)	48,400	50	170	50	2.90
Difference(B-A)	-1,800	-470	-300	-210	-
Difference(%)	-3.6	-90.4	-63.8	-80.8	-
Results of FY2007 (Full year)	50,306	1,048	1,379	842	48.90

3. Reasons for the revision to earnings forecasts for the year ending June 30, 2009

(1) Consolidated business performance

Influenced by a sharp decline in the worldwide economy, significant impact was given on the Japanese automobile market. Not only Nissan Motor Co., Ltd., the Company's major customer, but also the domestic automobile makers have reduced their production volume and historically significant stagnation of sales including imported cars is continuing.

Resulted from these severe conditions, the volume in the domestic new car transportation, the Company's major business, and the used car transportation and the pre-delivery inspection business dropped sharply. Drop in transportation volume means not only drop in sales but also it gives harmful effect on transportation efficiency. In order to recover this negative trend, the Company is making its best efforts by acquiring new contracts such as used car transportation. However, it is not enough to cover the sharp decline in the new car transportation volume.

Furthermore, domestic automobile makers have announced negative revisions to their production plans respectively. Considering the Company's financial results for the first quarter of FY08 and the earnings forecast for the first half of FY08, it has been judged that this downturn trend is predicted to continue.

(2) Unconsolidated business performance

It is followed by the reasons for the revision to the consolidated earnings forecasts for the year ending June 30, 2009.

4. Others

The above revision to the consolidated earnings forecasts for the year ending June 30, 2009 does not include the financial results of the following companies which the Company has acquired and made into subsidiaries. The influence on the consolidated financial results by these companies will be announced to the public when it is confirmed.

Company name	Signing of share sales agreement	Acquisition of shares	Disclosure
Driver Staff Co., Ltd.	Sep. 30, 2008	Oct. 15, 2008	Sep. 30, 2008
Nissan Shizuoka Worknet Co., Ltd.	Nov. 3, 2008	Nov. 6, 2008	Nov. 13, 2008

The amount for interim and annual dividend has not been changed from the amount previously announced.

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