

# Zero Announces Transfer of Fixed Assets and Arising of Extraordinary Profit

January 30, 2007

Company name: ZERO Co.,Ltd.

Code No: 9028

Tokyo Stock Exchange (Second Section)

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

Representative: CEO & President

Yoshi Iwashita

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Transferring fixed assets was resolved at the board of directors meeting held on January 30, 2007 as follows.

## 1. Reasons for transfer

As it was disclosed on December 20, 2006, relocation of the Company's headquarters had already decided because of the following factors.

- ① To avoid spending on vast amount of repair and maintenance expenditure for the decrepit building of the headquarters.
- ② To operate on one floor, which is one of the items of the corporate restructure.

As a result of the consideration to make an effective use of the land of current headquarters, it was judged as more appropriate to sell it rather than to keep it.

## 2. Content of transfer of assets

	Address and details	Book value	Transfer value
Building of current head quarters	4-9-11, Tsurumi chuo, Tsurumi-ku, Yokohama City, Kanagawa	619 million yen	1,809 million yen
	Land : 1,097.82 square meters		
	Building : 5,390.86 square meters		

\* The above book value is as of December, 2006

### 3. Profile of buyer

Trade name	Nomura Real Estate Development Co., Ltd.
Headquarters	Shinjuku Nomura Building, 1-26-2 Nishi Shinjuku, Shinjuku-ku, Tokyo
Representative	Hirohisa Suzuki, President
Capital	2 billion yen
Major shareholder	Nomura Real Estate Holdings, Inc. (100%)
Main business	Condominium allotment selling, housing allotment selling, corporate brokerage, investment development, building management, building designing and asset management
Affiliation with Zero Co., Ltd.	No capital ties or personal or business trading relationships

### 4. Means of settlement of transfer

By cash

### 5. Schedule of transfer

January 30, 2007	Board of directors meeting resolution
January 30, 2007	Conclusion of the sales contract
May 31, 2006( plan)	Transfer of property

### 6. Future projections

Upon the transfer of fixed assets mentioned above, profit on sale of fixed assets, 1,180 million yen, will be booked as extraordinary profit in the latter half of fiscal year 2006. Accordingly, the estimates of the closing of fiscal year 2006 will be announced in the consolidated and unconsolidated earnings forecasts upon the disclosure of interim financial results on February 14, 2007.

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