

Zero to acquire Kyuso company ltd.

April 10, 2006

Company name: ZERO Co.,Ltd.	Code No: 9028
(URL http://www.zero-nichiriku.co.jp/)	Tokyo Stock Exchange (Second Section)
Representative: CEO & President	Yoshi Iwashita
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The Company resolved to acquire shares of KYUSO COMPANY, LTD. and subsidize it on extraordinary board of directors meeting held yesterday as follows.

1 . Purpose of acquisition of shares

KYUSO COMPANY,LTD. is a logistic company which operates general cargo transportation business and warehousing business in its base of Kitakyushu City. This company offers high quality logistic service using approximately 72,600 square meter warehouse in growing Kitakyushu area and operates steady general logistic business. By acquiring the whole shares of this company, Zero shall positively expand general cargo transportation business in accordance with its business strategy.

2 . Corporate profile of the company to be subsidized

Company name	KYUSO COMPANY, LTD.
Address	1-7-11, Shinmoji Moji-ku, Kitakyushu, Fukuoka
Representative	Hidetoshi Inada, President
Date of establishment	May, 1972
Paid-in capital	¥ 60 million
Business activities	General cargo transportation services, warehousing business, general cargo handling services
Fiscal term	End of March
Number of employees	155 (As of March 1, 2006)
Number of shares issued	120,000 shares
Component ratio of shareholders	Hidetoshi Inada 100,000 shares (83.3%) INADA COMPANY, LTD. 20,000 shares (16.7%)
Relation with ZERO	No relation in capital, personnel or dealing

3 . Operating performance of KYUSO COMPANY, LTD.

	(FY ended March,2004)	(FY ended March,2005)
Total assets	¥1,884 million	¥1,731 million
Net assets	¥74 million	¥91 million
Net sales	¥3,278 million	¥3,111 million
Operating income	¥43 million	¥82 million
Ordinary income	¥37 million	¥58 million
Profit of the term	¥16 million	¥17 million

4 . Number of shares acquired and possessive ratio of before and after acquisition

Number of shares possessed before transfer	0 share (possessive ratio 0%)
Number of shares acquired	120,000 shares
Number of shares possessed after transfer	120,000 shares (possessive ratio 100%)

5 . Contents of transfer and its date

Contents	100,000 shares (83.3% of total shares issued) from Hidetoshi Inada 20,000 shares (16.7% of total shares issued) from INADA COMPANY,LTD.
Date of transfer	April 10, 2006 (Monday)

6 . Influence on operating performance

Influence by this subsidization on our company's consolidated operating performance for current term is minor. For the next term, our operating performance forecast shall be announced including Kyuso's operating performance.

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