

News Releases

December 21, 2004

Transfer of Fixed Assets

TAIHEIYO CEMENT CORPORATION (TAIHEIYO) and its affiliated company announced transfer of their fixed assets. And the details are as follows;

1. Reasons for the Transfer

TAIHEIYO has established the "04 Mid-Term Management Plan" in order to strengthen its financial structure and business prospects. In view of restructuring its total investments and real estate business activities, TAIHEIYO has taken decision to liquidate the land owed by TAIHEIYO and its affiliated company, CHICHIBU ONODA FUDOSAN CORPORATION, for real estate investment trust, and to transfer its beneficial interest in trust.

2. Details of Transaction

I. TAIHEIYO's own land

Property	Former site for cement terminal
Location	2-cyome, Shinonome Koto-ku, Tokyo
Book Value	0.2 million yen
Sales Price	6.1 billion yen

II. Its affiliated company's own land

Property	Land for lease
Location	2-cyome, Shinonome Koto-ku, Tokyo
Book Value	0.5 million yen
Sales Price	6.1 billion yen

3. Purchaser

Shinonome Butsuryu Center Special Purpose Company

(There is no capital relationship between TAIHEIYO and this company.)

4. Schedule for Selling

Contract date for real estate trust : December 24, 2004

Contract date for transferring beneficial interest in trust : December 27, 2004

Transferring date for beneficial interest in trust : December 28, 2004

5. Proposed Prospect

By selling of above-mentioned real estate, an extraordinary profit of about 5.8 billion yen (non-consolidated) and about 11.1 billion yen (consolidated) will be generated. This is already considered in the expected consolidated and non-consolidated mid-term financial statement of March 2005 and this figure was already disclosed on November 16, 2004.