

News Releases

March 29, 2005

Sale of Fixed Assets

Taiheiyo Cement Corporation today announced the sale of the following two fixed assets.

1. Kiyosumi Golf Club land owned by Taiheiyo Cement

(1) Reasons for sale

Taiheiyo Cement owns a portion of the land occupied by Kiyosumi Golf Club and leases this land to Kiyosumi Golf Club Co., Ltd. Taiheiyo Cement decided to sell this land to help strengthen Kiyosumi Golf Club's business base by giving it full ownership of the land and to reduce the assets held by Taiheiyo Cement.

(2) Details of property being sold

Property: Kiyosumi Golf Club land and course development expenses

Location: Higashimatsuyama-shi, Saitama

Book value: ¥4.3 billion

Sale price: ¥400 million

(3) Purchaser

Kiyosumi Golf Club Co., Ltd. (Wholly owned subsidiary of Taiheiyo Cement)

(4) Transaction schedule

The sales contract is to be concluded and the sale completed on March 31, 2005

2. Sale of leased property

(1) Reasons for sale

Asano Real Estate Co., Ltd., operates a leasing business throughout Japan. Taiheiyo Cement decided to sell this property to help Asano Real Estate strengthen its business base through the acquisition of this property and to reduce the assets held by Taiheiyo Cement.

(2) Details of property being sold

Property: Land in Nakasode, Sodegaura-shi

Location: Sodegaura-shi, Chiba

Book value: ¥1.6 billion

Sale price: ¥300 million

(3) Purchaser

Asano Real Estate Co., Ltd. (98% owned by Taiheiyo Cement, 2% by other investors)

(4) Transaction schedule

The sales contract is to be concluded and the sale completed on March 31, 2005

3. Forecast

Taiheiyo Cement plans to book an extraordinary loss of ¥5.2 billion on the sale of the two properties. This loss has already been factored into Taiheiyo Cement's FY3/05 earnings forecasts included in the company's consolidated and non-consolidated financial results for 1H FY3/05 and announced on November 16, 2004.