

News Releases

March 1, 2007

Taiheiyo Cement Announces the Dissolution and Liquidation of a Consolidated Subsidiary

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1. Amagasaki Onoda Remicon Co., Ltd.

Address: Higashi Hatsushima-cho 3, Amagasaki City, Hyogo Prefecture

Representative: Benji Kogaya, President

Net sales: ¥614 million (Fiscal year ending December 31, 2006)

Total assets: ¥363 million (Fiscal year ending December 31, 2006)

Paid-in capital: ¥20 million

Shareholder: Taiheiyo Cement Corporation 40.0%

composition: Consolidated subsidiaries of the Taiheiyo Cement Corporation (two firms) 35.0%
Other 25.0%

Reason for dissolution: This firm, which was engaged in the manufacturing and sale of ready-mixed concrete, had liabilities in excess of assets, and no remedy for this situation could be foreseen. It was therefore decided to dissolve and liquidate the firm.

Date of Resolution to dissolve: March 31, 2007 (Scheduled)

dissolution: Dissolution: March 31, 2007 (Scheduled)

2. Outlook for the future

It is forecast that the Taiheiyo Cement Corporation will post a loss of approximately ¥700 million as a result of the above liquidation. This was taken into consideration in the Overview of Interim Financial Indicators for Fiscal 2007 (ending March 31, 2007), released

on November 14, 2006. This will have no effect on the company's consolidated financial statements.