

September 21, 2010

## Taiheiyo Cement Announces Sale of Stock in Equity-Method Company

Taiheiyo Cement Corporation resolved at the Board of Directors meeting on September 21, 2010 to sell part of its stake in equity-method company Nippon Hume Corporation (stock code: 5262; hereinafter "Nippon Hume"). Taiheiyo Cement Corporation sold 1,900,000 stocks back to Nippon Hume, when the company repurchased its stocks on August 26, 2010. As a result of the sale of part of the stake in Nippon Hume resolved at today's board meeting, Nippon Hume will be removed from the list of Taiheiyo Cement Corporation's equity-method companies.

### 1. Reasons for sale of part of stake in Nippon Hume

In accordance with Medium-Term Management Plan Revisions and Business Restructuring announced on March 30, 2010, Taiheiyo Cement Corporation is working on business restructuring without exceptions. Taiheiyo Cement Corporation decided to sell part of its stake in Nippon Hume as part of the business restructuring program, which includes the sale of assets. The business relationship with Nippon Hume will not change after the sale.

### 2. Details of sale of stocks

Number of stocks to be sold: 2,865,000

Sale value: Approximately ¥700 million

Sale method: By ToSTNeT-2 on the Tokyo Stock Exchange

Date of sale: September 22, 2010

### 3. Number of stocks to be sold and change to stockholding

Number of stocks held before sale	6,285,363 (21.42% stake)
Number of stocks to be sold	2,865,000
Number of stocks held after sale	3,420,363 (11.65% stake)

### 4. Future outlook

We expect to record an extraordinary profit of approximately ¥400 million on a parent basis and an extraordinary loss of ¥1 billion on a consolidated basis from the sale, and an extraordinary profit totaling approximately ¥600 million on a parent basis and an extraordinary loss of ¥1.7 billion on a consolidated basis including the sale of stocks on August 26, 2010. These figures have been factored into our parent and consolidated earnings forecasts, but we will promptly disclose any revisions to our forecast if the need arises.