

September 21, 2010

Taiheiyo Cement Announces Sale of Fixed Assets

Taiheiyo Cement Corporation resolved at the Board of Directors meeting on September 21, 2010 to sell fixed assets as outlined below.

1. Sale of Clion Co., Ltd.'s factory land in Nagoya

a) Reasons for sale

Clion Co., Ltd. is a consolidated subsidiary of Taiheiyo Cement Corporation. Taiheiyo Cement Corporation owns the land on which Clion's Nagoya factory stands, and leases the land to Clion under a leasehold agreement. We concluded that Clion owning the land would strengthen its management base and help reduce Taiheiyo Cement Corporation's assets.

b) Details of asset for sale

Asset and location: Clion Co., Ltd.'s Nagoya factory land in Owari-Asahi, Aichi Prefecture

Book value: ¥300 million

Sale price: ¥1.3 billion

c) Outline of buyer

Clion Co., Ltd. (stockholding: Taiheiyo Cement Corporation 96%, other 4%).

d) Timeline of sale

Resolution at Board of Directors Meeting: September 21, 2010

Signing of contract and possession date: Scheduled for September 28, 2010

2. Future outlook

Taiheiyo Cement Corporation plans to book the ¥1.0 billion profit from the sale of the fixed asset (parent basis) as an extraordinary profit. The sale should have no impact on consolidated earnings, and has been factored into our parent and consolidated earnings forecasts, but we will promptly disclose any revisions to our forecast if the need arises.