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Ardepro Co., Ltd.

Representative: Tatsuya Akimoto, Chief Executive Officer
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**Notice of Gratis Transfer (Negotiated Transaction) of Stock in
Ardepro Co., Ltd. to Shareholders**

This announcement is to inform that Tatsuya Akimoto, Chief Executive Officer (CEO) of Ardepro Co., Ltd. ("the Company") will effect a gratis transfer of the Company's common shares to shareholders of record on the list of shareholders and the list of beneficial shareholders as of January 31, 2007. The details are as follows.

1. Outline of the transaction

- (1) This stock transfer is a gratis transfer to the Company's shareholders through negotiated transaction of stock held in the Company by Tatsuya Akimoto, CEO (hereinafter referred to as "the transaction").
- (2) Persons who are the object of the transaction will be decided by separately determined standards.

2. Objectives of the transaction

Tatsuya Akimoto, CEO, who owns 59.3 percent of shares issued by the Company as of June 30, 2006, has intended that the Company should be a "public" company in the true sense of the word by lowering the ratio of his shareholding. There are several ways to lower the shareholding ratio of a certain shareholder such as issuing new shares and transferring the shares owned by the shareholder, or Tatsuya Akimoto in this case, to unspecified number of people. However, the former method results in dilution of the value of existing shares, while the latter one might cause some concerns about transparency of transfer policy. With these considerations taken into account, the Company has decided to transfer the shares of Tatsuya Akimoto to the shareholders under certain conditions.

Furthermore, lowering the ratio of Tatsuya Akimoto's shareholding will potentially give a positive impact on the Company's shareholder value because the transaction will help reduce the amount of corporate income tax and thus increase net income as a result that the Company will no longer be treated as "family corporation" defined by Corporation Tax Law, which is subject to taxation of excess retained earnings.

3. Details of the transaction

- (1) Number of shares to be transferred: A maximum of 10,000 shares of common stock, which is 1.44 percent of the total number of shares issued as of June 30, 2006). (A maximum will be 50,000 shares after the stock split on the reference date of July 31, 2006.)
- (2) Transfer price: Gratis. (In case the transfer requires a recipient to incur a liability for gift tax or other taxes, the recipient shall bear the liability, and neither the transferor nor the Company shall be liable in any circumstances.)
- (3) Owner of the shares to be transferred: Tatsuya Akimoto, CEO
- (4) Eligible recipients: Shareholders holding 50 or more shares of the common stock as of January 31, 2007 are eligible to receive one share per shareholder. Moreover, directors, auditors, and employees of the Company are not eligible to receive shares as they are not the intended recipients.
- (5) Method of transfer: Eligible recipients that apply will be advised of the negotiated transaction to gratis transfer.
- (6) Confirmation period for intentions of receipt: March 5, 2007 (Monday) through March 30, 2007 (Friday) (Effective postmark date)
- (7) Date of transfer: May 14, 2007 (Monday)
- (8) Procedure of transfer: Eligible shareholders will be mailed an application and stock registration request through regular mail in the first ten days of March 2007. After receipt, please confirm the details of the mailed documents and return them by mail. However, if the application and the stock registration request are not received within the confirmation period for intention of receipt, the applicant will become ineligible.

* Please be advised the deadline for receipt of application is March 30, 2007 (Friday) (effective postmark date), and an early return is requested in order to facilitate smooth processing of the application.
- (9) As all expenses related to this transaction will be born individually by Tatsuya Akimoto, CEO, there will be no cost incurred by the Company. Selection of eligible shareholders and fulfillment of applications will be based on the list of shareholders of the Company.
- (10) In case the transfer requires a recipient to incur a liability for gift tax, please make an inquiry into your nearest tax office as the recipient may have to file a final return.