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Ardepro Co., Ltd.

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Re-plus Inc.

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Business Alliance Involving Guarantee Service for Late Rent Payments

Ardepro Co., Ltd. (HQ: Shinjuku-ku, Tokyo; representative: Tatsuya Akimoto, Chief Executive Officer) and Re-plus Inc. (HQ: Minato-ku, Tokyo; representative: Hirofumi Kang, CEO) have decided to establish a business alliance involving a guarantee service for late payments of rent for apartments and houses. The main businesses of Re-plus are rent guarantees and asset management for real estate funds.

1. Purpose of alliance

Re-plus offers a comprehensive line of financial services involving rental housing on a nationwide scale. One of these services is a system that guarantees rent payments when a renter fails to make a payment on time. Under this late rent payment guarantee system, Re-plus becomes the co-guarantor of the renter. In some cases, Re-plus also lowers the security deposit. These services make it easier for rental property owners to close rental contracts, thus raising occupancy rates. In addition, this service provides a complete rent collection infrastructure for property owners, extending from initial investigations of renters through the collection of rent and actions required when rent is overdue.

Ardepro operates a real estate revitalization business through a nationwide network of nine branches and 20 sales offices. Plans call for adding about 10 more sales offices, providing even more geographic coverage in order to greatly increase the scale of operations. As the number of properties handled by Ardepro increases, subsidiary Ardepro Property Management Co., Ltd. plans to establish business and equity alliances with major property management firms in all areas of Japan. The objective of these alliances is to produce rapid growth in the number of residences managed by this subsidiary.

The business alliance is expected to generate synergies that yield benefits for both companies. For Ardepro, the alliance is expected to produce significant reductions on a nationwide scale in the Ardepro Group's real estate for sale and the vacancy rate at rental properties managed by the group, thus increasing rental income. For Re-plus, the alliance is expected to contribute to nationwide growth in the number of rent guarantee contracts, thereby enabling this company to expand its late rent guarantee system even faster.

2. Description of alliance

The alliance has the following two elements.

- (1) More business opportunities for Ardepro and Re-plus by using Ardepro's nationwide network of branches and sales offices to offer the Re-plus late rent guarantee system for Ardepro's real estate for sale.
- (2) More business opportunities for Ardepro and Re-plus by offering the Re-plus late rent guarantee system for the rental residential properties managed by the Ardepro Group.

3. Corporate profiles (Re-plus Inc. and Ardepro Co., Ltd.)

Company name:	Re-plus Inc.	ARDEPRO Co., Ltd.
Main business:	Provide a rent management system for late rent, asset management of the real estate funds	Revitalization of used condominiums, commercial facilities, hotels and other properties
Established:	September 3, 2002	March 1, 1988
Location:	Minato-ku, Tokyo	Shinjuku-ku, Tokyo
Representative:	Hirofumi Kang, CEO	Tatsuya Akimoto, Chief Executive Officer
Capital:	3,266,340,000 yen (as of June 30, 2006)	2,930,940,000 yen (as of July 31, 2006)
Employees:	468 (as of June 30, 2006)	145 (as of July 31, 2006)
Fiscal year end:	December 31	July 31

4. Alliance date

October 10, 2006

5. Other events

The two companies will begin full-scale collaboration immediately after the alliance contract is signed.

6. Effect on operating results

Ardepro has not yet determined the effect of the alliance on its operating results.