

April 2, 2007

Ardepro Co., Ltd.

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Dissolution of business alliance between Alive Community Co., Ltd. and subsidiary Ardepro Property Management Co., Ltd.

Ardepro Co., Ltd. announces that the Board of Directors of its subsidiary Ardepro Property Management Co., Ltd. (APM), at a meeting held on April 19, 2007, resolved to dissolve the business alliance with Alive Community Co., Ltd. (Alive Community). Details are as follows.

1. Reasons for dissolving the business alliance

On August 10, 2006, Alive Community and APM concluded a business alliance contract, and have cooperated up to now on renovation work and other matters.

As we announced in “Notice of Current Status of Ardepro Group” released on March 29, 2007, we acquired all company shares issued by Opus Co., Ltd. with the head office located in Kakamigahara City, Gifu Prefecture, whose operations include sales of building materials and construction cost reduction systems, and formed a subsidiary. Opus itself owns SawakenHome Corporation, which operates a general construction business as a subsidiary, and Art City Development Co., Ltd., which operates a construction design and supervisory business. The acquisition of the Opus group with these functions has enabled us to establish a system for undertaking orders for a whole work from procurement of construction materials through designing and building within our group.

As a result of the above, Ardepro judged that rather than moving forward with the business alliance of Alive Community and APM around renovation work, conducting operations within the group (including Opus) would lead to our group development.

Concerning the dissolution of the business alliance, the amicable consultation with Alive Community has led to the agreement of both companies.

For an overview of Opus, please refer to “Notice of Current Status of Ardepro Group” released on March 29, 2007.

2. Details of the dissolution of the business alliance

- (1) Repair and renovation work on the interiors and exteriors of real estate properties procured by Ardepro and those managed by APM.
- (2) Provision of Alive Community’s products and services to the customer, including coating and interior products, for properties sold by Ardepro and those managed by APM.
- (3) Sharing housing industry expertise and promoting cooperation in business areas where a new synergy effect can be demonstrated.

3. Outline of the subsidiary (Alive Community Co., Ltd.)

- 1) Company name: Alive Community Co., Ltd.
- 2) Main business: Coating, house care, lifestyle improvement, IT etc.
- 3) Established: June 29, 2000
- 4) Location: 7-22-36, Nishi-shinjuku, Shinjuku-ku, Tokyo
- 5) Representative: Shu Shibata, President
- 6) Capital: 806,903,830 yen (As of March 28, 2007)
- 7) Employees: 179 (As of February 28, 2006)
- 8) Major shareholders: Koji Fukuoka holding 22.4%, Y.K. Earls&K holding 12.3%
(As of August 31, 2006)
- 9) Relationship: Ardepro owns 2,500 shares in Alive Community and 50 acquisition rights in the second issue of new shares.

4. Schedule

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| April 2, 2007 | APM Board of Directors meeting |
| April 2, 2007 | Dissolution of business alliance contract |

5. Outlook

The impact of the dissolution of business alliance contract on Ardepro's operating results will be minimal.