

## News Release

July 4, 2007

### Ardepro Co., Ltd.

Representative: Tatsuya Akimoto, Chief Executive Officer  
(Stock code: 8925, Tokyo Stock Exchange, Mothers Market)  
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### **Ardepro Property Management Acquires a Subsidiary and Equity-method Affiliate and Purchases a Business**

Ardepro Property Management Co., Ltd. (APM), a subsidiary of Ardepro Co., Ltd., has made investments that made one company a subsidiary and another company an equity-method affiliate. Furthermore, APM has reached a basic agreement to purchase a business. Details are as follows.

#### **I. Purchase of stock of Matching Navi Co., Ltd. (becoming an APM subsidiary)**

##### 1. Reason for purchase of stock

APM is engaged in a variety of property management services, including leasing management, building management, leasing, sub-leasing and renovations. Ardepro has a nationwide network of nine branch offices and 30 sales offices. Ardepro established APM in March 2006. The objective was to operate a nationwide flexible and efficient property management business that can grow along with the scope of Ardepro's operations. Ardepro believes this is vital to capturing greater synergies within the Ardepro Group. In addition, the Ardepro Group is forming equity and business alliances with prominent regional property management firms throughout Japan. APM seeks partners that can contribute to the group's philosophy-centered management. The acquisition of all shares of Matching Navi Co., Ltd., a Tokyo area renovation and remodeling company, is one part of this process of adding regional property management partners. By adding this company to its group, Ardepro will be better able to offer quality renovation and remodeling services.

##### **2. Profile of Matching Navi (new subsidiary)**

- |                                 |  |
|---------------------------------|--|
| (1) Name                        | Matching Navi Co., Ltd.  |
| (2) CEO                         | Tsuyoshi Izumi, Representative Director                        |
| (3) Head office                 | 4-2-14-208 Shimoimaizumi, Ebina-shi, Kanagawa                  |
| (4) Established                 | June 30, 2002  |
| (5) Activities                  | Construction, interior finishing work, construction consulting |
| (6) Fiscal year                 | Ends May 31  |
| (7) Employees                   | 6  |
| (8) Capital                     | ¥10 million  |
| (9) Shares issued               | 200  |
| (10) Shareholder                | Tsuyoshi Izumi, 100%   |
| (11) Registrations and licenses |  |
|                                 | General construction business license                          |
|                                 | Kanagawa Prefecture Governor License (General-18) No. 71250    |
|                                 | Industrial waste processing business license                   |

Tokyo 13-00-130264  
Kanagawa 1402130264

### 3. Financial Highlights

Million yen

Years ended March 31	2006	2007
Net sales	129	256
Gross profit	31	61
Operating income	(0)	2
Ordinary income	0	1
Net income	0	0
Total assets	58	91
Net assets	10	10
Dividend per share	0	0

Note: Fiscal year end was changed to May 31 in 2007.

### 4. Seller of shares

- (1) Name: Tsuyoshi Izumi  
(2) Occupation: Representative Director of Matching Navi  
(3) Relationship with Ardepro: None

### 5. Shares purchased, purchase price and ownership after purchase

- (1) Shares owned prior to purchase 0 (0% of shares issued)  
(0 voting rights)  
(2) Shares purchased 200 (Cost of ¥10 million)  
(200 voting rights)  
(3) Shares owned after purchase 200 (100% of shares issued)  
(200 voting rights)

### 6. Timetable

- June 29, 2007 Resolution approved by directors  
June 29, 2007 Receipt of Matching Navi stock

## II. Purchase of stock of Maple Living Service Co., Ltd. (becoming an APM equity-method affiliate)

### 1. Reason for purchase of stock

As was explained in item I, APM is forming equity and business alliances with prominent regional property management firms throughout Japan. Ardepro seeks partners that can contribute to the group's philosophy-centered management. As part of this process, APM has purchased 40% of the shares of Maple Living Service Co., Ltd., which is engaged mainly in condominium maintenance and management and in rental brokerage services. This company manages condominiums buildings primarily in the Tokyo area (see profile). APM directly manages about 1,450 units and subsidiary Japan Realty Supervision manages about 26,300 condominiums in Kyoto and other

parts of the Osaka area. Adding Maple Living Service to the Ardepro Group provides a base for achieving significant growth in property management operations in the Tokyo and Osaka areas.

## 2. Profile of Maple Living Service (new equity-method affiliate)

- (1) Name Maple Living Service Co., Ltd.
- (2) CEO Terumi Kato, Representative Director
- (3) Head office 2-16-4 Dogenzaka, Shibuya-ku, Tokyo
- (4) Established March 22, 1993
- (5) Activities Building interior and exterior maintenance and management, rental brokerage and management
- (6) Fiscal year Ends March 31
- (7) Employees 52 (March 31, 2007)
- (8) Capital ¥10 million
- (9) Shares issued 200
- (10) Shareholder Terumi Kato, 100%
- (11) Registrations and licenses
  - Condominium management business license
  - Minister of Land, Infrastructure and Transport (1) No. 032148
  - Real estate business industry license
  - Tokyo Governor (2) No. 74988
- (12) Units managed About 5,000 condominium units for owners associations at 144 buildings

## 3. Financial Highlights

Million yen

Years ended March 31	2006	2007
Net sales	487	602
Gross profit	329	178
Operating income	(2)	(1)
Ordinary income	(1)	1
Net income	(1)	0
Total assets	135	242
Net assets	14	14
Dividend per share	0	0

## 4. Seller of shares

- (1) Name: Terumi Kato
- (2) Occupation: Representative Director of Maple Living Service
- (3) Relationship with Ardepro: None

## **5. Shares purchased, purchase price and ownership after purchase**

(1) Shares owned prior to purchase (0 voting rights)	0	(0% of shares issued)
(2) Shares purchased (80 voting rights)	80	(Cost of ¥4 million)
(3) Shares owned after purchase (80 voting rights)	80	(40% of shares issued)

## **6. Timetable**

June 29, 2007	Resolution approved by directors
June 29, 2007	Delivery of Maple Living Service stock

## **III. Basic agreement to purchase shares of Devex Management Co., Ltd. (becoming an APM subsidiary) and acquire the property management business**

### 1. Reason for purchasing Devex Management stock and property management business

As was explained in item I, APM is forming equity and business alliances with prominent regional property management firms throughout Japan. As part of this process, APM has purchased all the shares of Devex Management Co., Ltd. This company has a growing leasing business operated by offices in the Tokyo districts of Ikebukuro, Shibuya and Shimbashi. In addition, APM plans to acquire the property management business of Devex Co., Ltd., which manages about 1,200 condominium units in the Tokyo area, to strengthen the Ardepro Group's property management operations.

### 2. Profile of Devex Management (new subsidiary)

(1) Name	Devex Management Co., Ltd.
(2) CEO	Shuichi Yamada, Representative Director
(3) Head office	2-19-2 Shimbashi, Minato-ku, Tokyo
(4) Established	May 24, 2005
(5) Activities	Rental brokerage business (tenant leasing)
(6) Fiscal year	Ends March 31
(7) Employees	26
(8) Capital	¥10 million
(9) Shares issued	200
(10) Shareholder	Devex Co., Ltd., 100%

### 3. Seller of shares

- (1) Name: Devex Co., Ltd.
- (2) CEO: Soji Ogawa, President and Representative Director
- (3) Head office: 4-3-13 Toranomom, Minato-ku, Tokyo
- (4) Activities: Real estate planning, development and sales
- (5) Relationship with Ardepro: None

#### 4. Shares purchased, purchase price and ownership after purchase

(1) Shares owned prior to purchase (0 voting rights)	0	(0% of shares issued)
(2) Shares purchased (200 voting rights)	200	(Cost not determined)
(3) Shares owned after purchase (200 voting rights)	200	(100% of shares issued)

#### 5. Timetable

June 29, 2007	Signing of basic agreement
Date for delivery of stock	Not yet determined

#### 6. Description of business acquired

##### (1) Operations

Property management business of Devex Co., Ltd.

##### (2) Assets and liabilities

Details not yet finalized

##### (3) Price and settlement method

Not yet determined

#### 7. Profile of Devex

(1) Name	Devex Co., Ltd.
(2) CEO	Soji Ogawa, President and Representative Director
(3) Head office	4-3-13 Toranomom, Minato-ku, Tokyo
(4) Established	September 20, 2000
(5) Activities	Real estate planning, development and sales
(6) Employees	45
(7) Capital	¥484 million
(8) Relationship with Ardepro	None

#### 8. Timetable

June 29, 2007	Signing of basic agreement
Date for transfer of business	Not yet determined

#### **IV. Outlook**

These investments will not have a material impact on Ardepro's operating results in the current fiscal year. Ardepro will quickly make an announcement if there is a need to revise its forecast.