



February 8, 2007

Company Name: Iino Kaiun Kaisha, Ltd.

Stock Code: 9119

Representative: Katsuyuki Sugimoto, President

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Notice of Extraordinary Loss (One-time Depreciation Expense)

On February 8, 2007, the Board of Directors of Iino Kaiun Kaisha, Ltd. (hereinafter referred to as “the Company”) ratified a decision to incur an extraordinary loss (one-time depreciation expense) related to the scheduled closure of the Iino Building in October 2007.

- Details -

1. Reason and Details of the Loss

The Company made a decision at the Board of Directors' Meeting held on December 21, 2006 to rebuild the Iino Building located at Uchisaiwaicho 2-Chome, Chiyoda-ku, Tokyo. Based on this decision, the Company started to discuss and formulate a specific rebuilding plan. A resolution of the Board of Directors was ratified on February 8 to close the Iino Building in October 2007.

Following this resolution, the Company reviewed the remaining useful life of the Iino Building based on the serviceable life of the building and its remaining value, and has decided to record a one-time depreciation expense.

2. Impact of the Action on Consolidated Earnings

An estimated one-time depreciation expense of ¥3,475 million related to the closure of the Iino Building will be recorded in the Company's consolidated income statement for the fiscal year ending March 31, 2007.

Please refer to the Company's “Third Quarter Financial Results For the Nine Months Ended December 31, 2006 - Consolidated” regarding the full year forecast of business results (consolidated) for the fiscal year ending March 31, 2007.