

May 31, 2007

Notice of dismissal of the final appeal to the Supreme Court

Haseko Corporation

Haseko Corporation (the "Company") received the letter from the Supreme Court on May 31, 2007, of dismissal the final appeal against the Hotel Sherena verdict.

The Company made the final appeal on June 8, 2006, against the judgment of the Osaka High Court on May 31, 2006, for the case Fujita filed against the Company in connection with the payment for the sub-contracting costs and the delay penalty related to the construction of the Hotel Sherena PR Building (Motomachi dori 6-chome, Chuo-ku Kobe-shi).

The Company has already recorded 7.8 billion yen of allowance for loss on litigation regarding as the verdict in Fiscal 2006, the year ended on March 31, 2007, so there is no impact on the earning forecast for Fiscal 2007, the year ends on March 31, 2008.