

April 26, 2007

## Notice of Subsidizing Ecology Reit Corporation

Haseko Corporation (the “Company”) subsidizes Ecology Reit Corporation, as described below.

### 1. Details leading to the discloser:

The Company has been subsidizing Ecology Reit Corporation in January 2007, responding to the third party allotment. The Company has decided to make it a consolidated subsidiary as of the settlement of account for year ended March 31, 2007. Therefore the Company is disclosing for the change in the status of subsidiary.

### 2. Overview of the investment corporation

- (1) Name: Ecology Reit Corporation
- (2) Representative: Takehiko Yamamura
- (3) Corporate Auditor: Yoshio Ozawa  
Hiroyuki Kanamori
- (4) Location: 19-4, Akasaka 2-chome, Minato-ku, Tokyo
- (5) Date of establishment: April 4, 2006
- (6) Date of registration: May 10, 2006
- (7) Principal business: Management of special assets (real estate, etc.)
- (8) Accounting closing: September 30, March 31
- (9) Number of employee: 3
- (10) Total investment amounts: ¥2.1 billion
- (11) Total investment units issued: 4,200
- (12) Investors

Name	Owned investment units	Share (%)
Haseko Corporation	3,790	90.2
Meiho Enterprise Co., Ltd.	294	7.0
Other 4 Companies	116	2.8
Total	4,200	100.0

- (13) Total Assets: ¥38.0 billion (forecast for end of March 2007)

### 3. Effect on financial results

The Company has decided to consolidate it at end of March 2007 as assumed date of acquisition, increasing consolidated real estate balance by ¥36 billion and interest-bearing debt by ¥35 billion. However the consolidated and non-consolidated financial results have no effect.

Note: The above forecasts of operating results are calculated based on the information available to the management as of the date hereof. Actual results may differ from the forecasts described above due to any changes in a variety of factors in the future.