



May 11, 2010

For release Immediately
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**Announcement of Posting Extraordinary Loss
in Consideration of Transfer Procedures etc. of the Assets Held**

Takefuji Corporation and its subsidiaries (the “Group”) have been seeking to transfer a part of fixed assets and a part of loans receivable to procure necessary funds for near-term operation and had decided to adopt bidding for said transfer respectively. Based on the bidding results, the Company’s board of directors’ meeting held on May 11, 2010 resolved the policy of the transfer. While contract procedures will be progressed hereafter, in the financial results for the fiscal year ended March 2010, we expect to record impairment loss (extraordinary loss) stemmed from writing down fixed assets, which are subject to the transfer, to recoverable value, as well as expecting to record provision for loss on transfer of receivables (extraordinary loss) for anticipated loss related to the transfer of a part of loans receivable. The details are described below.

Details

1. Transfer of a part of fixed assets

(1) Impairment of fixed assets subject to transfer of part of fixed assets

The Group conventionally adopted different impairment procedures for business assets and unutilized assets; regarding business assets, they were divided into groups based on the operation, regarding real estate properties for rent and unutilized assets (including real estate properties for investment), each property was labeled for dividing into groups.

In the current consolidated fiscal year, transfer of a part of fixed assets, which had been sought to procure necessary funds for near-term operation, entered into a stage of concrete procedures. Given that we have reached price setting procedure by bidding and that the transfer policy was resolved based on the bidding results, regarding fixed assets subject to such transfer, each property shall be labeled for dividing into groups regardless of the usage etc. of the properties.

Such changes of usage that materially lowered recoverable value caused impairment loss regarding fixed assets subject to transfer. Thus 8,718 million yen of impairment loss (extraordinary loss) is expected to be recorded due to writing down book value of fixed assets to

recoverable value for the consolidated fiscal year ended March 2010.

(2) Breakdown of expected impairment regarding fixed assets subject to transfer (million yen)

Holder	Usage	Description	Expected impairment
Takefuji Corporation	Business properties	Buildings and structures	232
		Land	1,345
		Total	1,577
	Real estate properties for rent	Buildings and structures	628
		Equipment	11
		Land etc.	2,687
		Total	3,327
	Unutilized properties	Buildings and structures	32
		Equipment	0
		Land etc.	314
		Total	346
	Total	Buildings and structures	892
		Equipment	12
Land etc.		4,346	
Total		5,249	
TDS Co., Ltd.	Business properties	Buildings and structures	75
		Equipment	0
		Land etc.	3,393
		Total	3,469
The Group total		Buildings and structures	967
		Equipment	12
		Land etc.	7,739
		Total	8,718

(Reference)

1. Planned schedule of transfer (transfer of ownership) Target: May-end 2010
2. The total impairment loss is expected to be 10,601 million yen. The amount includes impairment write-down related to fixed assets subject to the transfer above, 1,231 million yen of the impairment loss recorded by the 3rd quarter and 652 million yen of impairment loss based on conventional method such as equivalent amount of assets related to branch offices scheduled to be closed hereafter.

2. Transfer of a part of loans receivable

(1) Expected loss related to transfer of loans receivable

Same as the fixed assets above, we decided to transfer a part of loans receivable managed at our regional loan collection offices to procure necessary funds for near-term operation. We have

progressed practical discussion with counterparties and we are currently at the stage of acquiring a Letter of Intent to purchase loans receivable as a part of procedures to determine loans receivable in scope and transfer price. Thus, it is possible to reasonably estimate the loss related to such transfer of loans receivable and the probability is extremely high and we expect to record 11,276 million yen of expected loss as provision for loss on transfer of receivables (extraordinary loss) in the financial results for the fiscal year ended March 2010.

(2) Breakdown of expected loss related to transfer (million yen)

Description of loans receivable subject to transfer	Expected loss
Expected loss related to transfer of loans receivable managed at regional loan collection offices (the amount after deducting credit loss allowance corresponding to the receivables and transfer price from the book value of the receivables)	10,587
Interest revenues etc. those which are subject to repayment to the buyer at the time of the transfer of loans receivable. (Interests etc. paid between the reference date, Jan. 29, 2010, and the accounting closing date)	689
Total	11,276

(Reference)

Planned schedule of transfer of loans receivable

Target: May-end 2010

