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To whom it may concern

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Notice of New Midterm Business Plan

Creed Corporation announces that it has prepared a new three-year Midterm Business Plan, which runs from the 10th term (the term ending May 31, 2006) to the 12th term (the term ending May 31, 2008). The details of the plan are as follows:

NOTE

1. Background to preparation of the new Midterm Business Plan

Creed Corporation prepared a three-year business plan at the end of the 7th term (the term ending May 31, 2003), which began in the 8th term (the term ending May 31, 2004). The plan calls for ordinary profit of 3.0 billion yen and shareholders' equity ratio of 30% for the 10th term.

We have decided to revamp our corporate philosophy and prepare a new three-year Midterm Business Plan, which will begin in the 10th term, in light of the following factors: ordinary profit amounted to 2.96 billion yen and almost reached the target for the 9th term (the term ended May 31, 2006), the second year of the plan. Shareholders' equity ratio (at year end) rose to 38.2% and significantly exceeded the target. Revising our business model is essential to realize higher growth, because our operating environment, including the real estate investment and management market, the legal system, and competition, has changed dramatically over the past two years.

2. New corporate philosophy

Creed Corporation has established a new corporate philosophy, which now consists of three elements, namely vision, value, and commitment. This new philosophy expresses what we will pursue internally and for the public, based on our entrepreneurial spirit and code of conduct, which have been playing a role as a unifying force since our foundation in 1996.

Based on our vision, which also expresses our long-term objective, namely that "Creed is pioneering a world market for real estate investment and management and remains committed to developing this market," we will operate our business to enhance our corporate value under our commitment that clarifies our responsibility to clients, shareholders and the society, and our own values of sincerity, search for the essence and originality. (Please refer to Attachment 1)

3. Summary of the New Midterm Business Plan

In our new Midterm Business Plan, we consider the next three years as the first stage for creating a world market for real estate investment and management. We aim to become one of the leading real estate investment and management groups in Japan by achieving a target of 800 billion yen in outstanding volume of assets held. (Please refer to Attachment 2)

[Basis strategies]

- (1) Execute our new business model focusing on three mainstay businesses: the asset management business, real estate service and real estate utilization business

We regard as our core businesses the asset management business, which achieves the expected returns of investors through investment advice for privately placed funds and REITs, the real estate service, which provides services related to actual properties ranging from the exploitation, appraisal, acquisition and disposal of real estate, through asset management and problem-solving to development, and the real estate utilization business, which provides value-added operations with the optimum use of real estate, such as hotels and commercial facilities. We will maintain high growth with each of the core businesses geared for generating maximum profit for customers and demonstrating synergies.

- (2) Reconstruction of corporate infrastructure to support high growth

Creed Corporation will establish a corporate infrastructure that will earn the trust of customers and enable high growth. We will do this by instituting strategies such as bolstering a financial function tailored for our business strategies, establishing advanced risk management, audit and compliance systems, innovating in human resource management, improving public recognition of the Company, and achieving higher operational efficiency.

[Quantitative Plan]

(Unit: million yen)

	10th term	11th term	12th term	9th term (actual) (Reference)
Consolidated ordinary profit	5,000	6,000	7,000	2,960
Outstanding volume of assets held	300,000	550,000	800,000	128,400

End