



October 31, 2006

To whom it may concern

Company name	Creed Corporation
Representative name	President & CEO Toshihiko Muneyoshi
Code number	8888 First Section of Tokyo Stock Exchange
Contact	Director, Finance and Account Manager Takeshi Sugahara (Tel : 03-3500-3300)
Company name	Creed Corporation

Notice of Change (Transfer) of Equity-method Affiliate

Creed Corporation announces that it has decided to make the following change to its subsidiary, Japan Single-residence Asset Management Corp., and that a transfer of shares in the subsidiary has taken place as of today.

Details

1. Background of the stock transfer

Japan Single-residence Asset Management Corp. (“JSR AM”) is an investment trust management company of Japan Single-residence REIT Inc. (“JSR Investment Corporation”) and a joint venture between INVOICE RM INC. (“INVOICE RM”, previously Darwin Inc.), Lehman Brothers Investments Japan Inc. (“Lehman Brothers”) and the Company, with equal equity stakes. JSR AM was also an equity-method affiliate of the Company.

In the process of consulting with INVOICE RM and Lehman Brothers on the shareholding ratio in JSR AM, the Company has decided to transfer all of its shares in JSR AM. As a result, JSR AM will no longer be an equity-method affiliate of the Company.

2. Profile of the equity-method affiliate

- (1) Trade name: Japan Single-residence Asset Management Corp.
- (2) Head Office: Kamiyacho Sankei Bldg. 9F, 1-7-2 Azabudai, Minato-ku, Tokyo
- (3) Representative: Mitsuo Nagai, Representative Director
- (4) Established: January 29, 2004
- (5) Business: Real estate investment trust management
- (6) Account closing: March
- (7) Officers and employees: 18 (As of September 30, 2006)
- (8) Paid-in capital: 160 million yen

(9) Sales: 215 million yen (Year ended March 31, 2006)

3. Number of voting rights of the equity-method affiliate held by the Company before and after the stock transfer and the number as a percentage of the total number of voting rights

	Before transfer	After transfer
Number of voting rights held by the Company	2,000	0
Total number of voting rights	6,000	6,000
Percentage of the total number of voting rights	33.3%	0%

4. Transferee and amount

- (1) Transferee: INVOICE RM INC.
- (2) Date of transfer: October 31, 2006
- (3) Amount of transfer: 496 million yen

5. Impact on results for the current fiscal year

The Company will record a 396 million yen gain on sale of shares in affiliates under extraordinary gains. The net income of equity-method affiliates that the Company projected for the current fiscal year is expected to have a nominal impact.