

April 14, 2010

ZAPPALLAS

For immediate release:

Name of company:	ZAPPALLAS, INC.
Stock code:	3770
Stock exchange listing:	Tokyo Stock Exchange, First Section
Headquarters:	1-19-19, Ebisu, Shibuya-ku, Tokyo
Representative	
Title:	President, Chief executive officer
Name:	Masanori Sugiyama
Contact person	
Title:	Executive officer, Division manager of administrative headquarter
Name:	Masato Kobayashi
Tel:	+81-(3)-5475-7133 (Main)
URL:	http://www.zappallas.com/

Notice of acquisition of treasury stock in the stock market

(Acquisition of treasury stock in accordance with the Articles of Association pursuant to the provision of Article 165 Paragraph 2 of the Company Law)

This is to notify that ZAPPALLAS, INC. acquired treasury stock as below, pursuant to the provision of Article 156 of the Company Law of which different manner of application is provided for in Article 165 Paragraph 3 of the said Law.

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|------------------------------------|--|
| 1. Period of acquisition | From March 9, 2010 to March 31, 2010
(Trade completion basis) |
| 2. Total number of stocks acquired | 7,463 shares |
| 3. Total acquisition cost of stock | 1,142,297,500 yen |
| 4. Method of acquisition | Market purchase at the Tokyo Stock Exchange |

(Reference)

- Decision taken at the meeting of the Board of Directors on March 8, 2010.
 - Types of stock to be acquired Common stock of the Company
 - Total number of stock to be acquired 10,000 shares (upper limit)
(Ratio to the total number of shares issued
(excluding treasury stock): 7.5%)
 - Total acquisition cost of stock 1,500 million yen (upper limit)
 - Period of acquisition From March 9, 2010 to April 27, 2010
 - Method of acquisition Market purchase at the Tokyo Stock Exchange
- Total number of treasury stock acquired based on the above decision.
 - Total number of stocks acquired 7,463 shares
 - Total acquisition cost of stock 1,142,297,500 yen
- Situation of treasury stock in possession as of March 31, 2010.

Total number of shares issued (excluding treasury stock)	133,400 shares
Number of treasury stock	7,463 shares