

January 31, 2008

## Brief Third-Quarter Consolidated Financial Report for the Year Ending March 31, 2008

Listed company name: ARIAKE JAPAN Co., Ltd.  
 Code No.: 2815  
 Listing Exchanges: Tokyo, 1st Section  
 URL: <http://www.ariakejapan.com/>  
 Representative: Tomoki Tagawa, President (COO)  
 Contact: Akio Miyakawa, Manager of the Management Coordination Department  
 TEL: 03-3791-3301

(Amounts under one million yen are rounded down.)

### 1. Third-quarter results for the year ending March 31, 2008 (April 1, 2007 – December 31, 2007)

#### (1) Consolidated business results

\* Percentage figures represent changes from same period of previous year for interim period.

	Net sales		Operating income		Ordinary income	
	MY	%	MY	%	MY	%
Third Quarter of FY2008	17,456	1.3	3,245	(27.0)	2,970	(32.0)
Third Quarter of FY2007	17,229	3.5	4,448	(1.0)	4,366	(4.0)
FY2007	22,449	-	5,466	-	5,300	-

  

	Net income		Net income per share		Net income per share/diluted	
	MY	%	Yen		Yen	
Third Quarter of FY2008	1,681	(36.2)	52.27		-	
Third Quarter of FY2007	2,633	(3.3)	80.84		-	
FY2007	3,110	-	95.50		-	

#### (2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	MY		MY		%		Yen	
Third Quarter of FY2008	53,125		43,793		81.9		1,353.32	
Third Quarter of FY2007	49,658		42,704		85.6		1,317.90	
FY2007	50,827		43,396		85.0		1,339.05	

#### (3) Consolidated cash flows

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and equivalents at end of term	
	MY		MY		MY		MY	
Third Quarter of FY2008	1,996		(4,743)		1,951		12,163	
Third Quarter of FY2007	1,549		(8,801)		(1,602)		12,023	
FY2007	3,213		(10,384)		(921)		12,928	

## 2. Dividends

The Company does not pay dividends at the end of the third quarter.

As for dividend forecasts, there have been no changes in FY2008 ending in March dividend forecasts for the first half and full fiscal year that were announced on May 16, 2007.

Record date	Dividend per share		
	End of 1st half	Year-end	Annual
	Yen	Yen	Yen
Interim closing for FY2007	15.00	15.00	30.00
Interim closing for FY2008	15.00	—	—
FY2008 (projection)	—	15.00	30.00

## 3. Forecast consolidated business results for the Year Ending March 31, 2008 (April 1, 2007 to March 31, 2008)

[Reference]

\* Percentage figures represent changes from previous year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	24,450	8.9	4,515	(17.4)	4,745	(10.5)	2,749	(11.6)	85.21

## 4. Others

- 1) Significant changes in subsidiaries during the year under review (changes in specific subsidiaries involving changes in scope of consolidation) : None
- 2) Adoption of the simplified accounting method : Yes
- 3) Changes in accounting methods from the most recent fiscal year : None
- Notes: See attached page3 "Qualitative Information / Financial Statements" 4.Others .

\* Explanation about the proper use of financial projections and other important notes  
Since forecasts described above have been made based on information available as of the date of announcement, actual results may be different from these forecasts due to various factors.

[Qualitative Information / Financial Statements]

## **1. Consolidated Operating Results**

During the third quarter (April 1, 2007 – December 31, 2007), the Japanese economy saw gradual economic expansions with increased corporate profits. On the other hand, various commodity prices rose due to rises in prices of resources such as crude oil, and products for daily living having risen particularly drove domestic demand downward, casting a shadow over the economy.

The food industry faced harsh management environments due to causes such as consumers being drawn away from food products because of the series of incidents related to food safety in addition to rises in prices of ingredients, packaging materials, and so on. Under these conditions, as a leading manufacturer in the field of natural seasonings, the Group has worked to expand its existing businesses and develop new ones. “Quality and safety-hygiene control” is the theme that the Company has been emphasizing on all along, but we have been putting more efforts into this area because of the circumstances of recent years.

The new plant that was installed in Kyushu and started in April 2007 is operating smoothly and is responding to the various needs of the customers.

In addition, test runs have already been given at the new plants of the French and the Belgium subsidiaries, the final adjustments of the machinery have already been made, and they are scheduled to be fully operational in the near future. Furthermore, the expansion of facilities at the Chinese subsidiary is almost complete.

As a result, the Group and Company were able to record the following earnings for the third quarter (April 1, 2007 – December 31, 2007).

First, net sales for the Company (ARIAKE JAPAN Co., Ltd.) rose 0.7% year on year since sales for the restaurant industry operations rose, compensating for the stagnant sales in processed foods, instant noodles, etc.

Consolidated net sales rose 1.3% year on year, due mostly in part to an increase in sales at overseas subsidiaries.

As for ordinary income, because of an increase in depreciation expenses (around 838 million yen) accompanying the expansion of the Kyushu Number 2 Plant, an increase in overseas office expenses (around 125 million yen), etc, it fell 25.7% (1,039 million yen) year on year to 3,012 million yen.

The consolidated ordinary income declined 32.0% (1,396 million yen) year on year to 2,970 million yen. This is due to the effects that the prices of raw materials rising from increased crude oil prices had even on subsidiaries, the effects that the expenses of European subsidiaries incurring beforehand had, and so on, in addition to the Company’s profits dropping.

The net income for the Company declined 26.5% year on year to 1,762 million yen, and the consolidated net income shrank 36.2% to 1,681 million yen.

## **2. Consolidated Assets and Liabilities**

As a result of an increase in fixed assets due mainly to capital investments, total assets grew 2,298 million yen, compared to the end of the previous consolidated fiscal year, to 53,125 yen.

Liabilities rose 1,901 million yen, compared to the end of the previous consolidated fiscal year, to 9,332 million yen, and this was chiefly because of an increase in borrowing by overseas subsidiaries.

Net assets increased 396 million yen, compared to the end of the previous consolidated fiscal year, to 43,793 yen primarily as a result of the increase of retained earnings from operating revenues.

As for cash flows from operating activities, there was a net inflow of 1,996 million yen, which was predominately because of profits from a healthy business operation.

Regarding cash flows from investing activities, there was a net outflow of 4,743 million yen, and this was chiefly the result of an increase in fixed assets accompanying capital investments.

For cash flows from financing activities, there was a net inflow of 1,951 million yen due substantially to an increase in borrowing by overseas subsidiaries.

As result, the closing balance of cash and cash equivalents for the third quarter was 12,163 million yen.

## **3. Qualitative information on forecast for consolidated business result**

There have been no changes in the Company’s forecasts for the full fiscal year announced on May 16, 2007.

## **4. Other**

### (1) Significant changes in scope of consolidation

There were no significant changes in scope of consolidation.

### (2) Adoption of concise accounting method

A concise accounting method has been adopted in part for the standard applied to corporate taxes, allowances, and other items.

### (3) Changes in accounting methods from most recent consolidated fiscal year

There were no significant changes in scope of consolidation.

## 5. Summary of Consolidated Balance Sheets

(1) Consolidated Balance Sheets (Summary)

(In thousand yen, %)

Account	Term	Third Quarter of FY2007 (As of Dec. 31, 2006)	Third Quarter of FY2008 (As of Dec. 31, 2007)	Changes		[Reference] FY2007 (As of Mar. 31, 2007)
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1. Cash and time deposits		12,023,863	12,163,710	139,846		12,928,393
2. Notes and accounts receivable		6,169,084	5,987,838	(181,245)		5,033,634
3. Inventories		3,305,486	3,253,984	(51,502)		3,198,661
4. Deferred tax assets		165,810	109,342	(56,468)		124,596
5. Other current assets		884,376	885,076	700		672,109
6. Allowance for doubtful accounts		(4,161)	(10,378)	(6,217)		(9,525)
Total current assets		22,544,460	22,389,574	(154,885)	(0.7)	21,947,868
II. Fixed assets						
1. Tangible fixed assets						
(1) Buildings and structures		5,184,860	8,935,814	3,750,953		5,117,983
(2) Machines, devices and delivery equipment		2,790,837	5,942,740	3,151,902		2,646,245
(3) Land		4,556,853	4,573,765	16,911		4,568,269
(4) Construction in progress		10,614,893	7,444,013	(3,170,880)		12,565,234
(5) Other fixed assets		111,592	120,542	8,949		106,922
Total tangible fixed assets		23,259,038	27,016,875	3,757,837	16.2	25,004,655
2. Intangible fixed assets		145,127	122,057	(23,069)	(15.9)	139,937
3. Investments and other assets						
(1) Investments in securities		2,142,603	1,826,005	(316,597)		2,064,574
(2) Long-term loans		61,369	50,991	(10,378)		58,470
(3) Deferred tax assets		213	131,636	131,422		-
(4) Investments in real estates		571,847	565,281	(6,565)		570,156
(5) Other investments and other assets		941,885	1,023,626	81,741		1,042,111
(6) Allowance for doubtful accounts		(8,413)	(237)	8,176		(254)
Total investments and other assets		3,709,506	3,597,305	(112,200)	(3.0)	3,735,060
Total fixed assets		27,113,672	30,736,238	3,622,566	13.4	28,879,654
Total assets		49,658,132	53,125,812	3,467,680	7.0	50,827,522

Note: Amounts under one thousand yen have been rounded down.

(In thousand yen, %)

Account	Term	Third Quarter of FY2007 (As of Dec. 31, 2006)	Third Quarter of FY2008 (As of Dec. 31, 2007)	Changes		[Reference] FY2007 (As of Mar. 31, 2007)
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
1. Notes and accounts payable		1,919,050	2,061,123	142,072		1,651,945
2. Short-term loans		677,738	4,559,615	3,881,877		1,397,154
3. Income taxes payable		550,378	283,901	(266,477)		899,302
4. Allowance for employee bonuses		155,875	141,827	(14,047)		166,410
5. Allowance for directors' bonuses		-	-	-		52,300
6. Other current liabilities		2,655,193	1,036,130	(1,619,063)		2,225,118
Total current liabilities		5,958,236	8,082,597	2,124,361	35.7	6,392,230
II. Long-term liabilities						
1. Allowance for employee retirement benefits		596,749	599,135	2,385		605,346
2. Other long-term liabilities		398,727	650,982	252,255		433,609
Total long-term liabilities		995,476	1,250,118	254,641	25.6	1,038,955
Total liabilities		6,953,713	9,332,716	2,379,002	34.2	7,431,186
(Net assets)						
I. Shareholders' equity						
1. Common stock		7,095,096	7,095,096	-		7,095,096
2. Capital surplus		7,833,869	7,833,869	-		7,833,869
3. Retained earnings		28,003,947	29,196,251	1,192,303		28,481,472
4. Treasury stock		(1,286,322)	(1,537,507)	(251,184)		(1,284,247)
Total shareholders' equity		41,646,589	42,587,708	941,119	2.3	42,126,189
II. Unrealized gains and adjustments						
1. Unrealized gains on other securities		254,815	57,666	(197,148)		217,960
2. Deferred gains on hedges		213,562	226,811	13,294		280,295
3. Adjustment account for foreign currency exchange		405,826	639,506	233,679		577,703
Total unrealized gains and adjustments		874,204	923,984	49,779	5.7	1,075,959
III. Minority interests						
Total net assets		42,704,418	43,793,096	1,088,677	2.5	43,396,336
Total liabilities and net assets		49,658,132	53,125,812	3,467,680	7.0	50,827,522

Note: Amounts under one thousand yen have been rounded down.

## (2) Consolidated Statements of Income (Summary)

(In thousand yen, %)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2008	Changes		[Reference] FY2007
		(As of Dec. 31, 2006)	(As of Dec. 31, 2007)	Amount	Ratio	(As of Mar. 31, 2007)
		Amount	Amount	Amount	Ratio	Amount
I.	Net sales	17,229,582	17,456,724	227,142	1.3	22,449,081
II.	Cost of sales	9,982,030	11,164,153	1,182,123	11.8	13,104,269
	Gross profit	7,247,552	6,292,571	(954,981)	(13.2)	9,344,812
III.	Selling, general and administrative expenses	2,799,522	3,046,856	247,333	8.8	3,878,654
	Operating income	4,448,029	3,245,714	(1,202,314)	(27.0)	5,466,157
IV.	Non-operating income	122,952	130,375	7,422	6.0	163,947
	Interest and dividends received	(36,186)	(69,642)	(33,455)		(38,147)
V.	Non-operating expenses	204,438	405,933	201,495	98.6	329,642
	Interest paid and discounts	(11,587)	(86,938)	(75,351)		(17,224)
	Ordinary income	4,366,544	2,970,156	(1,396,387)	(32.0)	5,300,462
VI.	Extraordinary income	29,406	233,375	203,969	-	29,421
VII.	Extraordinary losses	12,138	307,180	295,041	-	69,446
	Income before income tax	4,383,811	2,896,351	(1,487,459)	(33.9)	5,260,436
	Income, inhabitant and business taxes	1,738,216	1,268,739	(469,477)	(27.0)	2,089,588
	Adjustments for income and other taxes	(6,230)	(64,983)	(58,752)	-	34,577
	Minority interest	(Subtraction) 18,649	(Subtraction) 11,581	(7,068)	-	(Subtraction) 25,552
	Net Income	2,633,175	1,681,014	(952,160)	(36.2)	3,110,718

Note: Amounts under one thousand yen have been rounded down.

## (3) Consolidated Statements of Changes in Shareholders' Equity (Summary)

Third Quarter of FY2007 (April 1, 2006 to Dec. 31, 2006)

(In thousand yen)

	Shareholders' equity					Unrealized gains and adjustments	Minority interest	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total shareholder's equity			
Balance as of March 31, 2006	7,095,096	7,833,869	26,405,408	(109,089)	41,225,284	339,117	152,228	41,716,630
Changes for the third quarter								
Dividend from retained earnings (Note 1)			(983,352)		(983,352)			(983,352)
Bonuses for directors (Note 2)			(51,100)		(51,100)			(51,100)
Net income for the third quarter			2,633,175		2,633,175			2,633,175
Acquisition of treasury stocks				(1,178,249)	(1,178,249)			(1,178,249)
Disposal of treasury stocks			(183)	1,015	831			831
Net changes in items other than those in shareholders' equity						538,087	31,396	566,483
Total changes for the third quarter			1,598,538	(1,177,233)	421,305	535,087	31,396	987,788
Balance as of Dec. 31, 2006	7,095,096	7,833,869	28,003,947	(1,286,322)	41,646,589	874,204	183,624	42,704,418

Third Quarter of FY2008 (April 1, 2007 to Dec. 31, 2007)

(In thousand yen)

	Shareholders' equity					Unrealized gains and adjustments	Minority interest	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total shareholder's equity			
Balance as of March 31, 2007	7,095,096	7,833,869	28,481,472	(1,284,247)	42,126,189	1,075,959	194,187	43,396,336
Changes for the third quarter								
Dividend from retained earnings (Note 3)			(966,232)		(966,232)			(966,232)
Net income for the third quarter			1,681,014		1,681,014			1,681,014
Acquisition of treasury stocks				(253,702)	(253,702)			(253,702)
Disposal of treasury stocks			(2)	442	439			439
Net changes in items other than those in shareholders' equity						(158,565)	87,215	(71,350)
Total changes for the third quarter			714,779	(253,259)	(461,519)	(158,565)	87,215	390,169
Balance as of Dec. 31, 2007	7,095,096	7,833,869	29,196,251	(1,537,507)	42,587,708	917,393	281,403	43,786,505

【Reference】 FY2007 (April 1, 2006 to March 31, 2007)

(In thousand yen)

	Shareholders' equity					Unrealized gains and adjustments	Minority interest	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total shareholder's equity			
Balance as of March 31, 2006	7,095,096	7,833,869	26,405,408	(109,089)	41,225,284	339,117	152,228	41,716,630
Changes during FY2007								
Dividend from retained earnings (Note 1)			(983,352)		(983,352)			(983,352)
Bonuses for directors (Note 2)			(51,100)		(51,100)			(51,100)
Net income			3,110,718		3,110,718			3,110,718
Acquisition of treasury stocks				(1,176,174)	(1,176,174)			(1,176,174)
Disposal of treasury stocks			(202)	1,015	813			813
Net changes in items other than those in shareholders' equity					—	736,841	41,959	778,801
Total changes during FY2007	—	—	2,076,063	(1,175,158)	900,904	736,841	41,959	1,679,706
Balance as of March 31, 2007	7,095,096	7,833,869	28,481,472	(1,284,247)	42,126,189	1,075,959	194,187	43,396,336

Notes:

1. Dividend from retained earnings of 491,681 thousand yen and interim dividend of 491,671 thousand yen as appropriation of surplus at the regular general meeting of shareholders in June, 2006.
2. The items as appropriation of surplus at the regular general meeting of shareholders in June, 2006.
3. Dividend from retained earnings of 483,950 thousand yen and interim dividend of 482,282 thousand yen as appropriation of surplus at the regular general meeting of shareholders in June, 2007.

## (4) Consolidated Statements of Cash Flows (Summary)

(In thousand yen)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2008	[Reference] FY2007
		(As of Dec. 31, 2006)	(As of Dec. 31, 2007)	(As of Mar. 31, 2007)
		Amount	Amount	Amount
I.	Cash flows from operating activities			
	Income before income tax	4,383,811	2,896,351	5,260,436
	Depreciation and amortization	718,968	1,571,174	973,019
	Subsidy for promotion costs in corporate location	-	(200,000)	-
	Increase in allowance for directors' retirement	-	261,572	-
	Interest and dividends received	(36,186)	(69,642)	(38,147)
	Interest paid	11,587	86,938	17,224
	Increase in accounts receivable-trade	(1,447,283)	(959,434)	(274,430)
	Increase or decrease in inventories	(131,302)	(63,460)	4,440
	Increase in accounts payable	329,525	413,403	44,067
	Payout of bonuses to directors and auditors	(51,100)	(52,300)	(51,100)
	Others	215,994	(3,922)	(276,847)
	Subtotal	3,994,015	3,880,680	5,658,662
	Interest and dividend income received	36,186	69,642	38,147
	Interest expenses paid	(11,587)	(86,938)	(17,224)
	Income tax and other taxes paid	(2,468,792)	(1,867,141)	(2,466,181)
	Cash flows provided by operating activities	1,549,822	1,996,243	3,213,404
II.	Cash flows from investing activities			
	Payment for addition to tangible fixed assets	(8,431,254)	(4,885,722)	(9,909,347)
	Payment for addition to investment in securities	(13,947)	(30,928)	(17,838)
	(subsidiary's shares)	(595,702)	-	(595,702)
	Payment for loans receivable	18,750	8,815	20,149
	(subsidize)	188,635	238,067	220,981
	Others	31,755	(74,106)	(102,823)
	Cash flows used in investing activities	(8,801,763)	(4,743,874)	(10,384,580)
III.	Cash flows from financing activities			
	Net increase in short-term loans payable	520,135	3,140,595	(1,217,147)
	Payment for acquisition of treasury stocks	(1,178,249)	(253,702)	(1,176,174)
	Payment for dividends	(944,835)	(936,124)	(983,346)
	Others	813	442	20,813
	Cash flows used in (provided by) financing activities	(1,602,136)	1,951,210	(921,559)
IV.	Conversion differential of cash and cash equivalents	542,483	31,737	685,671
V.	Increase in cash and cash equivalents	(8,311,593)	(764,682)	(74,07,064)
VI.	Cash and cash equivalents at the beginning of term	20,335,457	12,928,393	20,335,457
VII.	Cash and cash equivalents at the end of term	12,023,863	12,163,710	12,928,393

Note: Amounts under one thousand yen have been rounded down.



## (5) Information by Segment

[Segment information by business]

Third quarter of FY2007 (April 1, 2006 to December 31, 2006) and third quarter of FY2008 (April 1, 2007 to December 31, 2007)  
 Production, sales, operating income and assets for the natural seasoning business segment accounted for more than 90% of total segment net sales, operating income and total segment assets; therefore, segment information by business has been omitted.

[Segment information by region]

Third quarter of FY2007 (April 1, 2006 to December 31, 2006)

(In thousand yen)

	Japan	Other regions	Total	Elimination or corporate	Consolidated
Net sales					
(1) External sales	15,566,004	1,663,578	17,229,582	–	17,229,582
(2) Internal sales to other segments or transfers	42,344	973,649	1,015,993	(1,015,993)	–
Total	15,608,348	2,637,227	18,245,576	(1,015,993)	17,229,582
Operating expenses	11,531,615	2,286,063	13,817,679	(1,036,126)	12,781,552
Operating income	4,076,733	351,163	4,427,896	20,132	4,448,029

Notes: 1. Country and regional categories are based on similarities in economic activity.  
 2. Main countries and regions outside of Japan  
 Other regions: U.S., China, France, Belgium, Taiwan

Third quarter of FY2008 (April 1, 2007 to December 31, 2007)

(In thousand yen)

	Japan	Other regions	Total	Elimination or corporate	Consolidated
Net sales					
(1) External sales	15,659,999	1,796,725	17,456,724	–	17,456,724
(2) Internal sales to other segments or transfers	32,533	975,683	1,008,217	(1,008,217)	–
Total	15,692,533	2,772,409	18,464,942	(1,008,217)	17,456,724
Operating expenses	12,661,725	2,615,942	15,277,667	(1,066,657)	14,211,009
Operating income	3,030,807	156,466	3,187,274	58,440	3,245,714

Notes: 1. Country and regional categories are based on similarities in economic activity.  
 2. Main countries and regions outside of Japan  
 Other regions: U.S., China, France, Belgium

【Reference】 FY2007 (April 1, 2006 to March 31, 2007)

(In thousand yen)

	Japan	Other regions	Total	Elimination or corporate	Consolidated
Net sales					
(1) External sales	20,180,317	2,268,763	22,449,081	–	22,449,081
(2) Internal sales to other segments or transfers	56,359	1,354,321	1,410,681	(1,410,681)	–
Total	20,236,677	3,623,085	23,859,763	(1,410,681)	22,449,081
Operating expenses	15,301,993	3,179,385	18,481,378	(1,498,454)	16,982,923
Operating income	4,934,684	443,700	5,378,384	87,772	5,466,157

Notes: 1. Country and regional categories are based on similarities in economic activity.  
 2. Main countries and regions outside of Japan  
 Other regions: U.S., China, Taiwan, France, Belgium

## 6. Summary of Non-Consolidated Balance Sheets

(1) Non-consolidated Balance Sheets (Summary)

(In thousand yen, %)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2008	Changes		[Reference] FY2007
		(As of Dec. 31, 2006)	(As of Dec. 31, 2007)	Amount	Ratio	(As of Mar. 31, 2007)
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1.	Cash and time deposits	11,238,395	9,360,153	(1,878,242)		12,432,356
2.	Notes receivable	723,652	684,920	(38,732)		598,200
3.	Accounts receivable	4,783,076	4,773,255	(9,821)		3,980,838
4.	Inventories	2,852,232	2,656,436	(195,796)		2,733,709
5.	Other current assets	841,446	924,622	83,175		806,987
6.	Allowance for doubtful accounts	(3,572)	(9,606)	(6,034)		(8,757)
	Total current assets	20,435,232	18,389,781	(2,045,450)	(10.0)	20,543,335
II. Fixed assets						
1. Tangible fixed assets						
(1)	Buildings	4,061,825	7,692,606	3,630,781		3,997,339
(2)	Machines and devices	1,926,000	4,966,969	3,040,969		1,788,379
(3)	Land	3,914,970	3,914,970	-		3,914,970
(4)	Construction in progress	6,778,857	5,027	(6,773,829)		7,879,401
(5)	Other tangible fixed assets	259,423	446,910	187,487		252,796
	Total tangible fixed assets	16,941,076	17,026,484	85,407	0.5	17,832,887
2.	Intangible fixed assets	22,608	21,243	(1,364)	(6.0)	22,245
3. Investments and other assets						
(1)	Investments in securities	2,141,103	1,824,505	(316,597)		2,063,074
(2)	Stocks of affiliated companies	5,094,185	7,223,185	2,129,000		5,094,185
(3)	Long-term loans to affiliated companies	229,635	72,634	(157,000)		79,732
(4)	Investments in real estates	571,847	565,281	(6,565)		570,156
(5)	Other investments and other assets	1,328,345	1,543,314	214,968		1,425,118
(6)	Allowance for doubtful accounts	(8,413)	(237)	8,176		(254)
	Total investments and other assets	9,356,703	11,228,684	1,871,981	20.0	9,232,013
	Total fixed assets	26,320,388	28,276,413	1,956,024	7.4	27,087,147
	Total assets	46,755,620	46,666,194	(89,425)	(0.2)	47,630,482

Note: Amounts under one thousand yen have been rounded down.

(In thousand yen, %)

Account	Term	Third Quarter of FY2007 (As of Dec. 31, 2006)	Third Quarter of FY2008 (As of Dec. 31, 2007)	Changes		[Reference] FY2007 (As of Mar. 31, 2007)
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
1. Notes payable		788,624	853,895	65,271		674,051
2. Accounts payable-trade		887,820	987,740	99,919		748,094
3. Accounts payable-nontrade		1,156,673	485,261	(671,411)		1,080,015
4. Income taxes payable		548,478	281,864	(266,614)		897,032
5. Allowance for employee bonuses		151,256	139,467	(11,788)		160,278
6. Allowance for directors' bonuses		-	-	-		52,300
7. Other current liabilities		642,118	331,389	(310,729)		918,673
Total current liabilities		4,174,971	3,079,618	(1,095,352)	(26.2)	4,530,446
II. Long-term liabilities						
1. Allowance for employee retirement benefits		596,749	599,135	2,385		605,346
2. Allowance for directors' retirement benefits		-	261,572	261,572		-
3. Other long-term liabilities		93,825	60	(93,765)		98,391
Total long-term liabilities		690,574	860,767	170,193	24.6	703,737
Total liabilities		4,865,545	3,940,386	(925,159)	(19.0)	5,234,183
(Net assets)						
I. Shareholders' equity						
1. Common stock		7,095,096	7,095,096	-		7,095,096
2. Capital surplus		7,833,869	7,833,869	-		7,833,869
3. Retained earnings		27,779,054	29,049,872	1,270,817		28,253,326
4. Treasury stock		(1,286,322)	(1,537,507)	(251,184)		(1,284,247)
Total shareholders' equity		41,421,697	42,441,330	1,019,632	2.5	41,898,043
II. Unrealized gains and adjustments						
1. Unrealized gains on other securities		254,815	57,666	(197,148)		217,960
2. Deferred gains on hedges		213,562	226,811	13,249		280,295
Total unrealized gains and adjustments		468,377	284,478	(183,899)	(39.3)	498,255
Total net assets		41,890,074	42,725,808	835,733	2.0	42,396,298
Total liabilities and net assets		46,755,620	46,666,194	(89,425)	(0.2)	47,630,482

## (2) Non-Consolidated Statements of Income (Summary)

(In thousand yen, %)

Account \ Term	Third Quarter of FY2007 (As of Dec. 31, 2006)	Third Quarter of FY2008 (As of Dec. 31, 2007)	Changes		[Reference] FY2007 (As of Mar. 31, 2007)
	Amount	Amount	Amount	Ratio	Amount
I. Net sales	15,194,905	15,296,888	101,983	0.7	19,752,270
II. Cost of sales	8,790,558	9,848,470	1,057,912	12.0	11,547,858
Gross profit	6,404,346	5,448,417	(955,928)	(14.9)	8,204,411
III. Selling, general and administrative expenses	2,337,415	2,469,706	132,291	5.7	3,192,214
Operating income	4,066,931	2,978,710	(1,088,220)	(26.8)	5,012,197
IV. Non-operating income	116,634	127,359	10,724	9.2	157,361
Interest and dividends received	(33,230)	(67,444)	(34,214)		(35,482)
V. Non-operating expenses	131,419	93,674	(37,745)	(28.7)	223,797
Interest paid and discounts	-	-	-		-
Ordinary income	4,052,146	3,012,395	(1,039,750)	(25.7)	4,945,761
VI. Extraordinary income	28,639	200,000	171,361	-	28,639
VII. Extraordinary losses	11,963	275,009	263,046	-	68,849
Income before income tax	4,068,822	2,937,386	(1,131,436)	(27.8)	4,905,551
Income, inhabitant and business taxes	1,677,575	1,243,135	(434,440)	(25.9)	2,014,000
Adjustments for income and other taxes	(7,007)	(68,530)	(61,523)	-	19,006
Net Income	2,398,254	1,762,782	(635,472)	(26.5)	2,872,544

Note: Amounts under one thousand yen have been rounded down.