

July 28, 2004

Brief First-Quarter Non-consolidated Financial Report for Year Ending March 31, 2005

Listed company name: Ariake Japan Co., Ltd.
 Code No.: 2815
 Listing Exchanges: Tokyo, 1st Section
 URL: <http://www.net-ir.ne.jp/ariake/>
 Representative: Kineo Okada, President and Chief Executive Officer
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1. Items relating to the preparation of the quarterly non-consolidated statement of income, etc.

* Adoption of the simplified accounting policies None
 * Changes in accounting methods from the most recent fiscal year None

2. First-quarter results for the year ending March 31, 2005 (April 1, 2004 – June 30, 2004)

(1) Non-consolidated business results

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

	Net sales		Operating income		Ordinary income	
	MY	%	MY	%	MY	%
First quarter of FY05	4,326	6.6	1,221	1.4	1,241	0.1
First quarter of FY04	4,060		1,205		1,239	
FY04	18,288		5,574		5,813	

	Net income		Net income per share		Net income per share/diluted	
	MY	%	Yen	Yen	Yen	Yen
First quarter of FY05	700	2.1	21.55		-	
First quarter of FY04	686		23.24		-	
FY04	3,343		111.70		-	

Note: Changes in net sales, operating income, ordinary income and net income from previous fiscal year are shown in percentage on a year-on-year basis.

(2) Non-consolidated financial position

	Total assets		Shareholders' equity		Equity ratio		Shareholders' equity per share	
	MY	MY	MY	MY	%	Yen 1/100 yen	Yen 1/100 yen	
First quarter of FY05	39,910	36,365	36,365	91.1		1,118.91		
First quarter of FY04	37,929	33,785	33,785	89.1		1,144.19		
FY04	40,136	36,085	36,085	89.9		1,220.67		

Note: Number of share outstanding at term end (non-consolidated):

Second Quarter of FY3/04 32,808,683 shares Second Quarter of FY3/03 29,826,076 shares FY3/03 29,826,076 shares

2. Forecast non-consolidated business results for the Year Ending March 31, 2005 (April 1, 2004 - March 31, 2005)

	Net sales		Operating income		Ordinary income		Net income	
	MY	MY	MY	MY	MY	MY	MY	
Interim	9,100	2,850	2,850	2,900	1,650			
Full-year	19,370	6,200	6,200	6,300	3,600			

Reference: Expected net income per share (full-year) ¥110.74 (Yen)

* 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. For more information regarding the forecasts, see page 3.

Non-consolidated Balance Sheets
For the First Quarter of FY04 and FY05

(In thousand yen, %)

Account	Term	First Quarter of FY 05	First Quarter of FY 04	Changes		FY05
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1. Cash and time deposits		17,355,891	14,532,857	2,823,033		17,360,743
2. Notes receivable		735,803	726,405	9,397		770,607
3. Accounts receivable		3,018,991	3,104,842	(85,850)		3,406,318
4. Inventories		2,280,843	2,157,763	123,080		2,010,724
5. Other current assets		329,137	447,048	(117,910)		280,530
6. Allowance for doubtful accounts		(2,250)	(492)	(1,758)		(1,998)
Total current assets		23,718,417	20,968,425	2,749,992	13.1	23,826,927
II. Fixed assets						
1. Tangible fixed assets						
(1) Buildings and structures		4,735,389	4,676,582	58,806		4,803,443
(2) Machines, devices, and delivery equipment		2,145,966	2,130,158	15,808		2,188,723
(3) Land		3,810,757	3,810,757	-		3,810,757
(4) Other fixed assets		301,551	783,713	(482,161)		305,075
Total tangible fixed assets		10,993,664	11,401,211	(407,547)	(3.6)	11,107,999
2. Intangible fixed assets		13,684	22,268	(8,583)	(38.5)	14,381
3. Investments and other assets						
(1) Investments in securities		382,569	339,636	42,933		367,355
(2) Shares of affiliated companies		2,899,022	2,680,182	218,840		2,899,022
(3) Long-term loans of affiliated companies		68,698	177,147	(108,449)		68,698
(4) Investments in real estates		452,844	457,967	(5,123)		454,068
(5) Other investments		1,389,527	1,882,970	(493,442)		1,406,607
(6) Allowance for doubtful accounts		(8,390)	(13)	(8,377)		(8,390)
Total investments and other assets		5,184,272	5,537,891	(353,618)	(6.4)	5,187,362
Total fixed assets		16,191,620	16,961,370	(769,749)	(4.5)	16,309,743
Total assets		39,910,038	37,929,796	1,980,242	5.2	40,136,670

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

(In thousand yen, %)

Account	Term	First Quarter of FY 05	First Quarter of FY 04	Changes		FY05
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
1. Notes payable		773,453	625,118	148,334		600,332
2. Accounts payable		705,524	747,701	(42,177)		747,928
3. Short-term loans payable		378,426	322,864	55,561		391,711
4. Income taxes payable		551,504	537,807	13,697		1,307,429
5. Allowance for employee bonus		132,755	135,478	(2,722)		131,138
6. Other current liabilities		352,022	537,457	(185,434)		244,590
Total current liabilities		2,893,687	2,906,427	(12,740)	(0.4)	3,423,130
II. Long-term liabilities						
1. Allowance for employee retirement benefits		401,179	313,702	87,476		378,753
2. Other long-term liabilities		249,561	924,340	(674,778)		249,651
Total long-term liabilities		650,740	1,238,043	(587,302)	(47.4)	628,314
Total liabilities		3,544,427	4,144,470	(600,043)	(14.5)	4,051,445
(Shareholders' equity)						
I. Common stock						
		7,095,096	7,095,096	-	-	7,095,096
II. Capital surplus						
1. Capital reserve		7,833,869	7,833,869	-	-	7,833,869
Total capital surplus		7,833,869	7,833,869	-	-	7,833,869
III. Retained earnings						
1. Earned reserve		428,500	428,500	-		428,500
2. Voluntary reserve		7,802,543	7,791,770	10,772		7,791,770
3. Unappropriated profits for the quarter		14,559,468	11,995,578	2,563,889		14,283,248
Total retained earnings		22,790,511	20,215,849	2,574,662	12.7	22,503,519
IV. Differences in valuation of other securities						
		73,692	44,516	29,176	65.5	64,533
V. Treasury stocks						
		(1,427,557)	(1,404,005)	(23,552)	1.7	(1,411,792)
Total shareholders' equity		36,365,611	33,785,325	2,580,285	7.6	36,085,225
Total Liabilities, Minority interest and Shareholders' equity		39,910,038	37,929,796	1,980,242	5.2	40,136,670

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

Non-consolidated Statements of Income

(In thousand yen, %)

Account	Term	First Quarter of FY 05	First Quarter of FY 04	Changes		FY05
		Amount	Amount	Amount	Ratio	Amount
I. Net sales		4,326,604	4,060,539	266,064	6.6	18,288,783
II. Cost of net sales		2,519,089	2,318,119	200,970	8.7	10,441,616
Gross profit		1,807,514	1,742,419	65,094	3.7	7,847,167
III. Selling, general and administrative expenses		585,962	537,170	48,791	9.1	2,273,116
Operating income		1,221,552	1,205,249	16,303	1.4	5,574,050
IV. Non-operating income		24,919	44,592	(19,672)	(44.1)	305,894
Interest and dividends received		5,098	5,521	(422)		(14,773)
V. Non-operating expenses		5,381	10,005	(4,624)	(46.2)	66,900
Interest paid and discounts		-	-			-
Ordinary income		1,241,090	1,239,835	1,255	0.1	5,813,044
VI. Extraordinary income		1,014	1,014	-	-	4,059
VII. Extraordinary losses		11,150	20,730	(9,580)	(46.2)	29,640
Income before income tax		1,230,955	1,220,120	10,835	0.9	5,787,463
Income, inhabitant and business taxes		530,269	533,804	(3,508)	(0.7)	2,493,356
Adjustments for income and other taxes		-	-	-	-	(48,959)
Net Income		700,569	686,316	14,343	2.1	3,343,066
Net income brought forward from previous term		13,858,808	11,309,262	2,549,546	22.5	11,309,262
Interim dividends		-	-	-	-	369,080
Inappropriated earnings		14,559,468	11,995,578	2,563,889	21.4	14,283,248

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