

January 27, 2005

Brief Third-Quarter Non-consolidated Financial Report for the 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. Third-quarter results for the year ending March 31, 2005 (April 1, 2004 – December 31, 2004)

(1) Non-consolidated business results

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

	Net sales		Operating income		Ordinary income	
	MY	%	MY	%	MY	%
Third Quarter of FY05	14,201	2.0	3,968	(7.7)	4,004	(9.4)
Third Quarter of FY04	13,918	4.3	4,300	8.7	4,420	10.3
FY04	18,288		5,574		5,813	

	Net income		Net income per share		Net income per share/diluted	
	MY	%	Yen		Yen	
Third Quarter of FY05	2,335	(7.0)	72.12		-	
Third Quarter of FY04	2,510	9.8	85.02		-	
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		%		Yen	
Third Quarter of FY05	40,909		37,061		90.6		1,148.03	
Third Quarter of FY04	38,772		35,246		90.9		1,193.73	
FY04	40,136		36,085		89.9		1,220.67	

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

Third Quarter of FY04 32,282,988 shares Third Quarter of FY03 29,526,115 shares FY04 29,525,362 shares

【Reference】

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
Full-year	MY	MY	MY	MY
	19,000	5,300	5,400	3,080

Reference: Expected net income per share (full-year) ¥97.88 (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 4.

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

(In thousand yen, %)

Account	Term	Third Quarter of FY 05	Third Quarter of FY 04	Changes		FY04
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1. Cash and time deposits		16,433,968	15,189,763	1,244,204		17,360,743
2. Notes receivable – trade		739,518	851,871	(112,353)		770,607
3. Accounts receivable – trade		4,557,761	4,225,949	331,811		3,406,318
4. Inventories		2,390,259	1,953,538	436,721		2,010,724
5. Other current assets		359,904	340,610	19,293		280,530
6. Allowance for doubtful accounts		(2,174)	(1,071)	(1,103)		(1,998)
Total current assets		24,479,238	22,560,662	1,918,575	8.5	23,826,927
II. Fixed assets						
1. Tangible fixed assets						
(1) Buildings		4,596,939	4,880,747	(283,808)		4,803,443
(2) Machines, devices, and delivery equipment		2,093,178	2,201,978	(108,800)		2,188,723
(3) Land		3,810,757	3,810,757	-		3,810,757
(4) Other fixed assets		420,159	321,828	98,331		305,075
Total tangible fixed assets		10,921,034	11,215,311	(294,276)	(2.6)	11,107,999
2. Intangible fixed assets		18,502	16,999	1,502	8.8	14,381
3. Investments and other assets						
(1) Investments in securities		381,912	327,680	54,232		367,355
(2) Shares of affiliated companies		3,098,022	2,680,182	417,840		2,899,022
(3) Long-term loans of affiliated companies		72,182	72,312	(130)		68,698
(4) Investments in real estates		450,396	455,368	(4,971)		454,068
(5) Other investments		1,497,062	1,444,202	52,859		1,406,607
(6) Allowance for doubtful accounts		(8,382)	(53)	(8,329)		(8,390)
Total investments and other assets		5,491,193	4,979,692	511,501	10.3	5,187,362
Total fixed assets		16,430,730	16,212,003	218,726	1.3	16,309,743
Total assets		40,909,968	38,772,666	2,137,301	5.5	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		FY04
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
1. Notes payable		664,253	645,495	18,758		600,332
2. Accounts payable – trade		923,454	698,314	225,140		747,928
3. Accounts payable – nontrade		503,465	310,181	193,284		391,711
4. Income taxes payable		490,982	689,156	(198,174)		1,307,429
5. Allowance for employee bonuses		132,470	137,548	(5,077)		131,138
6. Other current liabilities		334,702	365,420	(30,718)		244,590
Total current liabilities		3,049,327	2,846,116	203,211	7.1	3,423,130
II. Long-term liabilities						
1. Allowance for employee retirement benefits		447,828	355,123	92,704		378,753
2. Other long-term liabilities		350,930	325,102	25,828		249,651
Total long-term liabilities		798,758	680,225	118,532	(17.4)	628,314
Total liabilities		3,848,086	3,526,341	321,744	(9.1)	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. Legal reserve for retained earnings		428,500	428,500	-		428,500
2. Legal reserve of retained earnings		7,802,543	7,791,770	10,772		7,791,770
3. Unappropriated retained earnings for the quarter		15,788,867	13,450,835	2,338,031		14,283,248
Total retained earnings		24,019,910	21,671,106	2,348,804	10.8	22,503,519
IV. Unrealized gains on investments in securities						
		73,574	55,573	18,000	65.5	64,533
V. Treasury stocks						
		(1,960,568)	(1,409,320)	(551,247)	39.1	(1,411,792)
Total shareholders' equity		37,061,882	35,246,324	1,815,557	5.2	36,085,225
Total Liabilities and Shareholders' equity		40,909,968	38,772,666	2,137,301	5.5	40,136,670

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

Non-consolidated Statements of Income

(In thousand yen, %)

Account	Term	Third Quarter of FY 05	Third Quarter of FY 04	Changes		FY04
		Amount	Amount	Amount	Ratio	Amount
I. Net sales		14,201,317	13,918,284	283,032	2.0	18,288,783
II. Cost of net sales		8,384,393	7,900,282	484,110	6.1	10,441,616
Gross profit		5,816,924	6,018,001	(201,077)	(3.3)	7,847,167
III. Selling, general and administrative expenses		1,848,243	1,717,351	130,892	7.6	2,273,116
Operating income		3,968,681	4,300,650	(331,969)	(7.7)	5,574,050
IV. Non-operating income		96,701	170,198	(73,496)	(43.2)	305,894
Interest and dividends received		8,294	16,583	(8,289)		14,773
V. Non-operating expenses		61,049	50,394	10,655	21.1	66,900
Interest paid and discounts		-	-			-
Ordinary income		4,004,333	4,420,454	(416,121)	(9.4)	5,813,044
VI. Extraordinary income		3,046	3,044	2	0.1	4,059
VII. Extraordinary losses		16,905	49,421	(32,516)	(65.8)	29,640
Income before income tax		3,990,473	4,374,076	(383,602)	(8.8)	5,787,463
Income, inhabitant and enterprise taxes		1,667,830	1,875,000	(207,170)	(11.0)	2,493,356
Adjustments for income and other taxes		(13,287)	(11,576)	(1,710)	14.8	(48,959)
Net Income		2,335,931	2,510,653	(174,722)	(7.0)	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 paid		405,872	369,080	36,791	10.0	369,080
Unappropriated retained earnings for the quarter		15,788,867	13,450,835	2,338,031	17.4	14,283,248

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