

January 26, 2006

Brief Third-Quarter Non-consolidated Financial Report for the Year Ending March 31, 2006

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, 2006 (April 1, 2005 – December 31, 2005)

(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 FY2006	15,259	7.5	4,173	5.2	4,233	5.7
Third Quarter of FY2005	14,201	2.0	3,968	(7.7)	4,004	(9.4)
[Reference] FY2005	18,811		5,154		5,218	

	Net income		Net income per share		Net income per share/diluted	
	MY	%	Yen		Yen	
Third Quarter of FY2006	2,472	5.8	75.66		-	
Third Quarter of FY2005	2,335	(7.0)	72.12		-	
[Reference] FY2005	3,077		93.51		-	

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 FY2006	45,024		40,638		90.3		1,239.74	
Third Quarter of FY2005	40,909		37,061		90.6		1,148.03	
[Reference] FY2005	41,557		37,808		91.0		1,169.68	

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

Third Quarter of FY2006 32,779,951 shares Third Quarter of FY2005 32,282,988 shares FY2005 32,282,205 shares

【Reference】

2. Forecast non-consolidated business results for the Year Ending March 31, 2006 (April 1, 2005 - March 31, 2006)

	Net sales	Operating income	Ordinary income	Net income
Full-year	MY	MY	MY	MY
	20,500	6,050	6,150	3,580

Reference: Expected net income per share (full-year) ¥109.56

* 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 3-4.

Summary of Non-consolidated Balance Sheets

(In thousand yen, %)

Account	Term	Third Quarter of FY2006	Third Quarter of FY2005	Changes		[Reference] FY2005
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1. Cash and time deposits		16,238,782	16,433,968	(195,185)		18,333,676
2. Notes receivable – trade		802,492	739,518	62,973		628,461
2. Accountss receivable – trade		5,018,172	4,557,761	460,411		3,611,112
4. Inventories		2,685,017	2,390,259	294,757		2,487,227
5. Other current assets		541,038	359,904	181,134		218,841
6. Allowance for doubtful accounts		(3,283)	(2,174)	(1,109)		(2,016)
Total current assets		25,282,219	24,479,238	802,981	3.3	25,277,303
II. Fixed assets						
1. Tangible fixed assets						
(1) Buildings		4,317,653	4,596,939	(279,286)		4,376,134
(2) Machines, devices, and delivery equipment		2,207,702	2,093,178	114,524		2,001,532
(3) Land		3,925,093	3,810,757	114,336		3,601,671
(4) Other fixed assets		1,519,836	420,159	1,099,676		416,325
Total tangible fixed assets		11,970,285	10,921,034	1,049,251	9.6	10,395,663
2. Intangible fixed assets		17,807	18,502	(694)	(3.8)	16,489
3. Investments and other assets						
(1) Investment in securities		1,886,882	381,912	1,504,969		394,382
(2) Shares of affiliated companies		3,606,502	3,098,022	508,480		3,316,862
(3) Long-term loans of affiliated companies		73,573	72,182	1,391		69,803
(4) Investments in real estates		807,458	450,396	357,061		813,107
(5) Other investments		1,388,638	1,497,062	(108,423)		1,282,476
(6) Allowance for doubtful accounts		(8,409)	(8,382)	(27)		(8,379)
Total investments and other assets		7,754,645	5,491,193	2,263,452	41.2	5,868,252
Total fixed assets		19,742,739	16,430,730	3,312,008	20.2	16,280,405
Total assets		45,024,958	40,909,968	4,114,990	10.1	41,557,708

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

(In thousand yen, %)

Term Account	Third Quarter of FY2006	Third Quarter of FY2005	Changes		[Reference] FY2005
	Amount	Amount	Amount	Ratio	Amount
(Liabilities)					
I. Current liabilities					
1. Notes payable	1,038,718	664,253	374,464		644,441
3. Accounts payable – trade	866,262	923,454	(57,191)		859,603
3. Other accounts payable	477,541	503,465	(25,923)		364,825
4. Income taxes payable	793,148	490,982	302,166		969,329
5. Allowance for employee bonuses	146,650	132,470	14,180		129,603
6. Other current liabilities	297,627	334,702	(37,074)		190,360
Total current liabilities	3,619,948	3,049,327	570,620	18.7	3,158,164
II. Long-term liabilities					
1. Allowance for employee retirement benefits	553,605	447,828	105,777		466,359
2. Other long-term liabilities	212,698	350,930	(138,232)		124,451
Total long-term liabilities	766,303	798,758	(32,455)	(4.1)	590,811
Total liabilities	4,386,252	3,848,086	538,165	14.0	3,748,976
(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	441,000	428,500	12,500		428,500
2. Legal reserve of retained earnings	7,907,578	7,802,543	105,035		7,802,543
3. Unappropriated retained earnings for the quarter	17,360,726	15,788,867	1,571,858		16,530,523
Total retained earnings	25,709,304	24,019,910	1,689,393	7.0	24,761,566
IV. Unrealized gains on investments in securities					
	105,654	73,574	32,079	43.6	80,803
V. Treasury stocks					
	(105,217)	(1,960,568)	1,855,350	(94.6)	(1,962,602)
Total shareholders' equity	40,638,706	37,061,882	3,576,824	9.7	37,808,732
Total Liabilities and Shareholders' equity	45,024,958	40,909,968	4,114,990	10.1	41,557,708

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

Summary of Non-consolidated Statements of Income

(In thousand yen, %)

Account	Term	Third Quarter of FY2006	Third Quarter of FY2005	Changes		[Reference] FY2005
		Amount	Amount	Amount	Ratio	Amount
I. Net sales		15,259,780	14,201,317	1,058,462	7.5	18,811,337
II. Cost of net sales		8,715,323	8,384,393	330,930	3.9	11,188,236
Gross profit		6,544,457	5,816,924	727,532	12.5	7,623,100
III. Selling, general and administrative expenses		2,370,467	1,848,243	522,224	28.3	2,469,015
Operating income		4,173,989	3,968,681	205,308	5.2	5,154,085
IV. Non-operating income		109,519	96,701	12,817	13.3	148,586
Interest and dividends received		9,903	8,294	1,609		10,078
V. Non-operating expenses		49,785	61,049	(11,264)	(18.5)	84,213
Interest paid and discounts		-	-	-		-
Ordinary income		4,233,723	4,004,333	229,390	5.7	5,218,458
VI. Extraordinary income		-	3,046	(3,046)	-	4,061
VII. Extraordinary losses		6,862	16,905	(10,043)	(59.4)	21,712
Income before income tax		4,226,861	3,990,473	236,387	5.9	5,200,807
Income, inhabitant and enterprise taxes		1,818,395	1,667,830	150,565	9.0	2,131,000
Adjustments for income and other taxes		(63,970)	(13,287)	(50,683)	(381.4)	(7,779)
Net Income		2,472,436	2,335,931	136,505	5.8	3,077,586
Net income brought forward from previous term		15,931,549	13,858,808	2,072,740	15.0	13,858,808
Cost of treasury stock		593,500	-	593,500	-	-
Interim dividends paid		491,711	405,872	85,839	21.1	405,872
Unappropriated retained earnings increased resulting from merger		41,951	-	41,951	-	-
Unappropriated retained earnings for the quarter		17,360,726	15,788,867	1,571,858	10.0	16,530,523

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