

January 26, 2007

## Brief Third-Quarter Consolidated Financial Report for the Year Ending March 31, 2007

Listed company name: ARIAKE JAPAN Co., Ltd.  
 Code No.: 2815  
 Listing Exchanges: Tokyo, 1st Section  
 URL: <http://www.net-ir.ne.jp/ariake/>  
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### 1. Items relating to the preparation of the quarterly consolidated financial statements

- 1) Adoption of the simplified accounting method : None  
 2) Changes in accounting methods from the most recent fiscal year : None  
 3) Changes in scope of consolidation and equity method : Yes

### 2. Third-quarter results for the year ending March 31, 2007 (April 1, 2006 – December 31, 2006)

(1) 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 FY2007	17,229	3.5	4,448	(1.0)	4,366	(4.0)
Third Quarter of FY2006	16,653	9.1	4,492	10.1	4,550	11.1
[Reference] FY2006	21,761		5,781		5,871	

	Net income		Net income per share		Net income per share/diluted	
	MY	%	Yen		Yen	
Third Quarter of FY2007	2,633	(3.3)	80.84		-	
Third Quarter of FY2006	2,724	15.4	83.37		-	
[Reference] FY2006	3,499		105.52		-	

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.

[Qualitative information on progress in reaching earnings (consolidated)]

Through the first three quarters (April 2006 to December 2006), the Japanese economy gradually recovered, supported by various factors including an improvement in corporate earnings and an increase in capital investments. However, the business environment remained unstable for various reasons, including higher prices for petroleum-related products as a result of a sustained rise in oil prices.

In the food product industry, the business environment continued to be severe with the slow recovery in consumption as deflation persisted and with efforts on various fronts including responding to more diversified consumer needs and absorbing increase in energy costs.

Under these conditions, as the leading natural seasoning company, the ARIAKE JAPAN and the Group worked to expand existing businesses and aggressively develop new ones with the goal of steadily implementing its New Five-year Long-term Management Plan. At the same, the Company (ARIAKE JAPAN Co., Ltd.) is creating a meticulous system of "quality, health, and safety management," focusing as much as possible on "food safety" and "a stable supply of high-quality products," and working as a unified force to improve profitability in order to realize stable growth even in a deflationary environment. Earnings through the first three quarters were as strong as initially expected.

Through the first three quarters, net sales for the Company fell slightly compared to the same period last year, to 15,194 million yen, because of a fall in demand in the processed food sector, prepared food sector, and instant noodle sector as a result of unseasonable weather since fall. However, consolidated net sales rose 3.5% year on year, to 17,229 million yen, with sales at consolidate subsidiaries, particularly those in China and the U.S., dramatically increasing and sales for the Taiwanese subsidiary and the Japanese subsidiary, Dear. SOUP, also growing.

Ordinary income for the Company declined 4.3% year on year as a result of several factors including an increase in energy costs and the recording of around 70 million yen in expenses for items such as an increase in the number of employees and the opening of two offices overseas in order to strength the Company's sales and technical capabilities. Consolidated ordinary income shrank 4.0% year on year, with the ratio of ordinary income to net sales falling to 25.3% from 25.5% for the first half even though consolidated subsidiaries were able to steadily increase income by aggressively expanding sales.

In addition, consolidated net income totaled 2,633 million yen as a result of the growth in ordinary income discussed above; furthermore, the net income to net sales ratio was 15.3%, the same as for the first half.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	MY	MY	%	Yen
Third Quarter of FY2007	49,658	42,704	85.6	1,317.90
Third Quarter of FY2006	45,326	40,337	89.0	1,230.55
[Reference] FY2006	46,905	41,564	88.6	1,266.47

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

Third Quarter of FY2007 32,264,072 shares Third Quarter of FY2006 32,779,951 shares FY2006 32,778,777 shares

## [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 FY2007	1,549	(8,801)	(1,602)	12,023
Third Quarter of FY2006	1,590	(3,802)	125	17,674
[Reference] FY2006	4,195	(3,670)	(29)	20,335

## [Qualitative information on changes in financial position (consolidated)]

Total assets at the end of the third quarter of the fiscal year increased 2,753 million yen as a result of an increase in fixed assets due to aggressive capital investments both in Japan and overseas.

Cash flows from operating activities were the result of an increase in profits from healthy business. For cash flows from investing activities, the net outflow grew mainly because of acquisition of fixed assets. In addition, for cash flows from financing activities, payments of dividends and acquisition of treasury stock mainly led to a net outflow.

Therefore, the balance of cash and cash equivalents at the end of the third quarter under review declined 8,312 million yen compared to the end of the previous fiscal year.

**3. Dividend for the third quarter of FY2007 (non-consolidated)**

## [Cash dividend]

	Dividend per share
Reference date	At term end
	Yen
Third quarter of FY2007	–
Third quarter of FY2006	–

Note: Payment date –

## Attached materials:

(Supplementary material) Forecast for consolidated business results for FY2007, consolidated balance sheets (summary), consolidated statements of income (summary), consolidated statements of changes in shareholders' equity (summary), consolidated statements of cash flows (summary), information by segment, non-consolidated balance sheets (summary), and non-consolidated statements of income (summary).

## [Reference]

Consolidated results forecasts for the year ending March 31, 2007 (April 1, 2006- March 31, 2007 )

	Net sales	Operating income	Ordinary income	Net income
	MY	MY	MY	MY
Full-year	23,500	5,570	5,370	3,150

Reference: Expected net income per share (full-year) ¥96.70

## [Quantitative information on earnings forecast (consolidated)]

While corporate earnings and the economy will likely continue to improve throughout the rest of the year, the price of petroleum-related products will probably remain high due to elevated oil prices, and private consumption trends are unlikely to improve.

The food product industry is working to strongly appeal to people's desire for "food safety" and "healthy foods" and to stimulate demand; however, the business environment will likely remain extremely severe with deflationary pressure persisting and competition becoming fiercer.

Under these severe conditions, the Company is actively implementing its business strategy and as a unified force moving forward with efforts to reduce costs. The Company expects to meet its targets for the full fiscal year, which include 23,500 million yen in consolidated net sales and 5,370 million yen in consolidated ordinary income.

\* 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.

## 1. Summary of Consolidated Balance Sheets

(In thousand yen, %)

Account	Term	Third Quarter of FY2007 (As of Dec. 31, 2006)	Third Quarter of FY2006 (As of Dec. 31, 2005)	Changes		[Reference] FY2006 (As of Mar. 31, 2006)
		Amount	Amount	Amount	Ratio	Amount
(Assets)						
I. Current assets						
1. Cash and time deposits		12,023,863	17,674,931	(5,651,067)		20,335,457
2. Notes and accounts receivable		6,169,084	6,297,892	(128,807)		4,649,526
3. Inventories		3,305,486	3,018,847	286,639		3,141,945
4. Deferred tax assets		165,810	133,540	32,270		176,949
5. Other current assets		884,376	417,245	467,130		186,022
6. Allowance for doubtful accounts		(4,161)	(3,283)	(878)		(2,822)
Total current assets		22,544,460	27,539,174	(4,994,713)	(18.1)	28,487,078
II. Fixed assets						
1. Tangible fixed assets						
(1) Buildings and structures		5,184,860	5,243,259	(58,399)		5,197,974
(2) Machines, devices and delivery equipment		2,790,837	3,001,481	(210,644)		2,953,688
(3) Land		4,556,853	4,165,888	390,965		4,160,926
(4) Construction in progress		10,614,893	1,491,218	9,123,674		1,995,113
(5) Other fixed assets		111,592	98,465	13,127		95,975
Total tangible fixed assets		23,259,038	14,000,314	9,258,723	66.1	14,403,678
2. Intangible fixed assets		145,127	114,008	31,119	27.3	116,609
3. Investments and other assets						
(1) Investments in securities		2,142,603	1,886,882	255,720		2,461,837
(2) Long-term loans		61,369	71,736	(10,367)		75,572
(3) Deferred tax assets		213	106,744	(106,530)		-
(4) Investments in real estates		571,847	807,458	(235,611)		567,935
(5) Other investments and other assets		941,885	808,153	133,732		801,793
(6) Allowance for doubtful accounts		(8,413)	(8,409)	(4)		(9,003)
Total investments and other assets		3,709,506	3,672,566	36,939	1.0	3,898,134
Total fixed assets		27,113,672	17,786,889	9,326,782	52.4	18,418,422
Total assets		49,658,132	45,326,063	4,332,068	9.6	46,905,501

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

(In thousand yen, %)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2006	Changes		[Reference] FY2006
		(As of Dec. 31, 2006)	(As of Dec. 31, 2005)	Amount	Ratio	(As of Mar. 31, 2006)
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
	1. Notes and accounts payable	1,919,050	2,045,130	(126,080)		1,554,753
	2. Short-term loans	677,738	220,720	457,017		115,118
	3. Income taxes payable	550,378	792,537	(242,158)		1,280,954
	4. Allowance for employee bonuses	155,875	146,650	9,224		145,848
	5. Other current liabilities	2,655,193	879,573	1,775,620		1,218,668
	Total current liabilities	5,958,236	4,084,612	1,873,623	45.9	4,315,343
II. Long-term liabilities						
	1. Allowance for employee retirement benefits	596,749	553,605	43,144		564,487
	2. Other long-term liabilities	398,727	212,698	186,029		309,040
	Total long-term liabilities	995,476	766,303	229,173	29.9	873,527
	Total liabilities	6,953,713	4,850,916	2,102,797	43.3	5,188,871
(Net assets)						
I. Shareholders' equity						
	1. Common stock	7,095,096	-	-		-
	2. Capital surplus	7,833,869	-	-		-
	3. Retained earnings	28,003,947	-	-		-
	4. Treasury stock	(1,286,322)	-	-		-
	Total shareholders' equity	41,646,589	-	-	-	-
II. Unrealized gains and adjustments						
	1. Unrealized gains on other securities	254,815	-	-		-
	2. Deferred gains on hedges	213,562	-	-		-
	3. Adjustment account for foreign currency exchange	405,826	-	-		-
	Total unrealized gains and adjustments	874,204	-	-	-	-
III. Minority interests						
	Total net assets	42,704,418	-	-	-	-
	Total liabilities and net assets	49,658,132	-	-	-	-

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 FY2006 (As of Dec. 31, 2005)	Changes		[Reference] FY2006 (As of Mar. 31, 2006)
		Amount	Amount	Amount	Ratio	Amount
	(Minority interests)					
	Minority interests	-	137,928	-	-	152,228
	(Shareholders' equity)					
	I. Common stock	-	7,095,096	-	-	7,095,096
	II. Capital surplus	-	7,833,869	-	-	7,833,869
	III. Retained earnings	-	25,630,658	-	-	26,405,408
	IV. Unrealized gains on other securities	-	105,654	-	-	450,873
	V. Adjustment account for foreign currency exchange	-	(222,840)	-	-	(111,756)
	VI. Treasury stock	-	(105,217)	-	-	(109,089)
	Total shareholders' equity	-	40,337,219	-	-	41,564,402
	Total liabilities, minority interests and shareholders' equity	-	45,326,063	-	-	46,905,501

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

## 2. Summary of Consolidated Statements of Income

(In thousand yen, %)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2006	Changes		[Reference] FY2006
		Amount	Amount	Amount	Ratio	Amount
I. Net sales		17,229,582	16,653,368	576,214	3.5	21,761,293
II. Cost of sales		9,982,030	9,435,143	546,886	5.8	12,387,839
Gross profit		7,247,552	7,218,224	29,327	0.4	9,373,454
III. Selling, general and administrative expenses		2,799,522	2,725,308	74,214	2.7	3,592,051
Operating income		4,448,029	4,492,916	(44,887)	(1.0)	5,781,403
IV. Non-operating income		122,952	120,352	2,600	2.2	180,603
Interest and dividends received		36,186	16,489	19,696		22,176
V. Non-operating expenses		204,438	62,600	141,838	226.6	90,067
Interest paid and discounts		11,587	10,923	663		13,800
Ordinary income		4,366,544	4,550,668	(184,124)	(4.0)	5,871,939
VI. Extraordinary income		29,406	-	29,406	-	15,647
VII. Extraordinary losses		12,138	16,216	(4,077)	(25.1)	147,688
Income before income tax		4,383,811	4,534,452	(150,640)	(3.3)	5,739,898
Income, inhabitant and business taxes		1,738,216	1,852,387	(114,170)	(6.2)	2,344,742
Adjustments for income and other taxes		(6,230)	(58,295)	52,064	89.3	(128,131)
Minority interest		(Subtraction) 18,649	(Subtraction) 15,962	2,687	16.8	(Subtraction) 24,139
Net Income		2,633,175	2,724,397	(91,222)	(3.3)	3,499,147

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 December 31, 2006)

(In thousand yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity
Balance as of March 31, 2006	7,095,096	7,833,869	26,405,408	(109,089)	41,225,284
Changes for the third quarter					
Dividend (from retained earnings)	–	–	(983,352)	–	(983,352)
Bonuses for directors	–	–	(51,100)	–	(51,100)
Net income for the third quarter	–	–	2,633,175	–	2,633,175
Purchase of treasury stocks	–	–	–	(1,178,249)	(1,178,249)
Disposal of treasury stocks	–	–	(183)	1,015	831
Changes of items other than shareholders' equity during the period (net)	–	–	–	–	–
Total changes for the third quarter	–	–	1,598,538	(1,177,233)	421,305
Balance as of December 31, 2006	7,095,096	7,833,869	28,003,947	(1,286,322)	41,646,589

(In thousand yen)

	Unrealized gains and adjustments				Minority interest	Total net assets
	Unrealized gains on other securities	Deferred gains on hedges	Adjustment account for foreign currency exchange	Total unrealized gains and adjustments		
Balance as of March 31, 2006	450,873	–	(111,756)	339,117	152,228	41,716,630
Changes for the third quarter						
Dividend (from retained earnings)	–	–	–	–	–	(983,352)
Bonuses for directors	–	–	–	–	–	(51,100)
Net income for the third quarter	–	–	–	–	–	2,633,175
Purchase of treasury stocks	–	–	–	–	–	(1,178,249)
Disposal of treasury stocks	–	–	–	–	–	831
Changes of items other than shareholders' equity during the period (net)	(196,057)	213,562	517,583	535,087	31,396	566,483
Total changes for the third quarter	(196,057)	213,562	517,583	535,087	31,396	987,788
Balance as of December 31, 2006	254,815	213,562	405,826	874,204	183,624	42,704,418

Note: The items as appropriation of surplus at the regular general meeting of shareholders in June, 2006.

#### 4. Summary of Consolidated Statements of Cash Flows

(In thousand yen)

Account	Term	Third Quarter of	Third Quarter of	[Reference]
		FY2007	FY2006	FY2006
		Amount	Amount	Amount
I.	Cash flows from operating activities			
	Income before income tax	4,383,811	4,534,452	5,739,898
	Depreciation and amortization	718,968	736,259	1,011,245
	Interest and dividends received	(36,186)	(16,489)	(22,176)
	Interest paid	11,587	10,923	13,800
	Increase in accounts receivable-trade	(1,447,283)	(1,714,595)	(50,395)
	Increase in inventories	(131,302)	(282,649)	(389,960)
	Increase in accounts payable	329,525	485,682	(9,187)
	Payout of bonuses to directors and auditors	(51,100)	(49,000)	(49,000)
	Others	215,994	(86,305)	(20,044)
	Subtotal	3,994,015	3,618,277	6,224,180
	Interest and dividend income received	36,186	15,885	22,176
	Interest expenses paid	(11,587)	(10,923)	(13,800)
	Income tax and other taxes paid	(2,468,792)	(2,032,756)	(2,036,694)
	Cash flows provided by operating activities	1,549,822	1,590,482	4,195,861
II.	Cash flows from investing activities			
	Payment for addition to tangible fixed assets	(8,431,254)	(2,354,879)	(2,440,372)
	Payment for addition to investment in securities	(13,947)	(1,451,700)	(1,451,700)
	(subsidiary's shares)	(595,702)	-	-
	Payment for loans receivable	18,750	8,203	11,583
	(subsidize)	188,635	-	-
	Others	31,755	(4,380)	210,112
	Cash flows used in investing activities	(8,801,763)	(3,802,756)	(3,670,377)
III.	Cash flows from financing activities			
	Net increase in short-term loans payable	520,135	(113,190)	(233,188)
	Proceeds from sale of treasury stocks	813	1,270,000	1,270,000
	Payment for acquisition of treasury stocks	(1,178,249)	(6,114)	(9,986)
	Payment for dividends	(944,835)	(1,025,278)	(1,056,195)
	Cash flows used in (provided by) financing activities	(1,602,136)	125,416	(29,370)
IV.	Conversion differential of cash and cash equivalents	542,483	326,579	404,134
V.	Increase or decrease in cash and cash equivalents	(8,311,593)	(1,760,277)	900,248
VI.	Cash and cash equivalents at the beginning of term	20,335,457	19,435,209	19,435,209
VII.	Cash and cash equivalents at the end of term	12,023,863	17,674,931	20,335,457

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 FY2006 (April 1, 2005 to December 31, 2005)  
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 FY2006 (April 1, 2005 to December 31, 2005)

(In thousand yen)

	Japan	Other regions	Total	Elimination or corporate	Consolidated
Net sales					
(1) External sales	15,512,627	1,140,740	16,653,368	–	16,653,368
(2) Internal sales to other segments or transfers	30,672	1,112,430	1,143,102	(1,143,102)	–
Total	15,543,300	2,253,170	17,796,471	(1,143,102)	16,653,368
Operating expenses	11,353,214	1,991,954	13,345,169	(1,184,717)	12,160,451
Operating income	4,190,086	261,215	4,451,301	41,614	4,492,916

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

## 6. Summary of Non-Consolidated Balance Sheets

(In thousand yen, %)

Account \ Term	Third Quarter of FY2007	Third Quarter of FY2006	Changes		[Reference] FY2006
	(As of Dec. 31, 2006)	(As of Dec. 31, 2005)	Amount	Ratio	(As of Mar. 31, 2006)
	Amount	Amount	Amount	Ratio	Amount
(Assets)					
I. Current assets					
1. Cash and time deposits	11,238,395	16,238,782	(5,000,387)		18,118,522
2. Notes receivable	723,652	802,492	(78,839)		663,213
3. Accounts receivable	4,783,076	5,018,172	(235,095)		3,557,152
4. Inventories	2,852,232	2,685,017	167,215		2,799,664
5. Other current assets	841,446	541,038	300,408		358,840
6. Allowance for doubtful accounts	(3,572)	(3,283)	(289)		(2,822)
Total current assets	20,435,232	25,282,219	(4,846,987)	(19.2)	25,494,571
II. Fixed assets					
1. Tangible fixed assets					
(1) Buildings	4,061,825	4,317,653	(255,827)		4,251,414
(2) Machines and devices	1,926,000	2,207,702	(281,702)		2,121,046
(3) Land	3,914,970	3,925,093	(10,123)		3,914,970
(4) Construction in progress	6,778,857	1,248,850	5,530,006		1,746,366
(5) Other tangible fixed assets	259,423	270,986	(11,562)		262,227
Total tangible fixed assets	16,941,076	11,970,285	4,970,791	41.5	12,296,025
2. Intangible fixed assets	22,608	17,807	4,800	27.0	16,607
3. Investments and other assets					
(1) Investments in securities	2,141,103	1,886,882	254,220		2,460,337
(2) Stocks of affiliated companies	5,094,185	3,606,502	1,487,683		4,353,052
(3) Long-term loans to affiliated companies	229,635	73,573	156,061		76,355
(4) Investments in real estates	571,847	807,458	(235,611)		567,935
(5) Other investments and other assets	1,328,345	1,388,638	(60,292)		1,288,149
(6) Allowance for doubtful accounts	(8,413)	(8,409)	(4)		(8,413)
Total investments and other assets	9,356,703	7,754,645	1,602,057	20.7	8,737,416
Total fixed assets	26,320,388	19,742,739	6,577,649	33.3	21,050,049
Total assets	46,755,620	45,024,958	1,730,662	3.8	46,544,620

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 FY2006 (As of Dec. 31, 2005)	Changes		[Reference] FY2006 (As of Mar. 31, 2006)
		Amount	Amount	Amount	Ratio	Amount
(Liabilities)						
I. Current liabilities						
1. Notes payable		788,624	1,038,718	(250,094)		672,031
2. Accounts payable-trade		887,820	866,262	21,557		765,953
3. Accounts payable-nontrade		478,039	441,708	36,330		364,949
4. Accounts payable-equipment		678,633	35,832	642,800		252,574
5. Income taxes payable		548,478	793,148	(244,669)		1,279,188
6. Allowance for employee bonuses		151,256	146,650	4,606		145,848
7. Other current liabilities		642,118	297,627	344,491		503,072
Total current liabilities		4,174,971	3,619,948	555,022	15.3	3,983,618
II. Long-term liabilities						
1. Allowance for employee retirement benefits		596,749	553,605	43,144		564,487
2. Other long-term liabilities		93,825	212,698	(118,872)		310,329
Total long-term liabilities		690,574	766,303	(75,728)	(9.9)	874,816
Total liabilities		4,865,545	4,386,252	479,293	10.9	4,858,434
(Net assets)						
I. Shareholders' equity						
1. Common stock		7,095,096	-	-		-
2. Capital surplus		7,833,869	-	-		-
3. Retained earnings		27,779,054	-	-		-
4. Treasury stock		(1,286,322)	-	-		-
Total shareholders' equity		41,421,697	-	-	-	-
II. Unrealized gains and adjustments						
1. Unrealized gains on other securities		254,815	-	-		-
2. Deferred gains on hedges		213,562	-	-		-
Total unrealized gains and adjustments		468,377	-	-	-	-
Total net assets		41,890,074	-	-	-	-
Total liabilities and net assets		46,755,620	-	-	-	-

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 FY2006 (As of Dec. 31, 2005)	Changes		[Reference] FY2006 (As of Mar. 31, 2006)
	Amount	Amount	Amount	Ratio	Amount
(Shareholders' equity)					
I. Common stock	-	7,095,096	-	-	7,095,096
II. Capital surplus					
1. Capital reserve	-	7,833,869	-	-	7,833,869
Total Capital surplus	-	7,833,869	-	-	7,833,869
III. Retained earnings					
1. Legal reserve of retained earnings	-	441,000	-	-	441,000
2. Voluntary reserves	-	7,907,578	-	-	7,907,578
3. Unappropriated retained earnings at the end of term	-	17,360,726	-	-	18,066,857
Total Retained earnings	-	25,709,304	-	-	26,415,436
IV. Unrealized gains on other securities	-	105,654	-	-	450,873
V. Treasury stock	-	(105,217)	-	-	(109,089)
Total shareholders' equity	-	40,638,706	-	-	41,686,186
Total liabilities and shareholders' equity	-	45,024,958	-	-	46,544,620

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

## 7. Summary of Non-Consolidated Statements of Income

(In thousand yen, %)

Account	Term	Third Quarter of FY2007	Third Quarter of FY2006	Changes		[Reference] FY2006
		Amount	Amount	Amount	Ratio	Amount
I. Net sales		15,194,905	15,259,780	(64,874)	(0.4)	19,762,014
II. Cost of sales		8,790,558	8,715,323	75,235	0.9	11,335,833
Gross profit		6,404,346	6,544,457	(140,110)	(2.1)	8,426,181
III. Selling, general and administrative expenses		2,337,415	2,370,467	(33,052)	(1.4)	3,092,642
Operating income		4,066,931	4,173,989	(107,057)	(2.6)	5,333,538
IV. Non-operating income		116,634	109,519	7,114	6.5	166,341
Interest and dividends received		33,230	9,903	23,327		12,365
V. Non-operating expenses		131,419	49,785	81,633	164.0	73,207
Interest paid and discounts		-	-	-		-
Ordinary income		4,052,146	4,233,723	(181,577)	(4.3)	5,426,672
VI. Extraordinary income		28,639	-	28,639	-	15,647
VII. Extraordinary losses		11,963	6,862	5,101	74.3	111,017
Income before income tax		4,068,822	4,226,861	(158,038)	(3.7)	5,331,302
Income, inhabitant and business taxes		1,677,575	1,818,395	(140,820)	(7.7)	2,287,000
Adjustments for income and other taxes		(7,007)	(63,970)	56,962	89.0	(134,265)
Net Income		2,398,254	2,472,436	(74,181)	(3.0)	3,178,568
Net income brought forward from previous term		17,521,913	15,931,549	1,590,364	10.0	15,931,549
Cost of treasury stock		183	593,500	(593,316)	(100.0)	593,500
Interim dividends paid		491,671	491,711	(40)	0.0	491,711
Unappropriated retained earnings increased resulting from merger		7,392	41,951	(34,558)	(82.4)	41,951
Unappropriated retained earnings for the quarter		19,435,706	17,360,726	2,074,980	12.0	18,066,857

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