

October 31, 2007

Brief Interim 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
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 Scheduled date of securities report submission: December 7, 2007
 Scheduled date of dividend payment commencement: December 10, 2007

(Amounts under one million yen are rounded down.)

1. Results for the interim of FY 2008 (April 1, 2007 to September 30, 2007)

(1) Consolidated business results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim closing for FY2008	11,175	3.2	1,969	(28.9)	1,816	(34.3)	1,003	(39.2)
Interim closing for FY2007	10,823	5.7	2,769	3.9	2,762	1.9	1,651	0.7
FY2007	22,449	—	5,466	—	5,300	—	3,110	—

	Net income per share		Net income per share/diluted	
	Yen	Yen	Yen	Yen
Interim closing for FY2008	31.21	—	—	—
Interim closing for FY2007	50.38	—	—	—
FY2007	95.50	—	—	—

Reference: Investment profit/ loss on equity method: Interim closing for FY2008 — Interim closing for FY2007 — FY2007 —

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Interim closing for FY2008	52,874	43,762	82.4	1,354.65
Interim closing for FY2007	49,404	43,242	87.2	1,314.34
FY2007	50,827	43,396	85.4	1,339.05

Reference: Shareholders' equity: Interim closing for FY2008 ¥ 43,554 million Interim closing for FY2007 ¥ 43,081 million FY2007 ¥ 43,202 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the fiscal year end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Interim closing for FY2008	1,213	(3,738)	1,744	12,201
Interim closing for FY2007	752	(5,370)	(219)	15,944
FY2007	3,213	(10,384)	(921)	12,928

2. Dividends

Record date	Dividend per share				
	End of 1st quarter	End of 1st half	End of 3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Interim closing for FY2008	0.00	15.00	0.00	15.00	30.00
Interim closing for FY2007	0.00	15.00	—	—	30.00
FY2008(projection)	—	—	—	15.00	—

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

* 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) Changes in accounting principles, procedures, the display method of presentation associated with preparation of the consolidated financial statements (matters to be included in the section, "Change in Basic conditions to prepare Consolidated Financial Statements")

- 1) Changes due to revisions of accounting standards, etc.: Yes
- 2) Change other than 1): No

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at fiscal year end (including treasury stock):

Interim closing for FY2008 32,808,683 shares Interim closing for FY2007 32,808,683 shares FY2007 32,808,683 shares

2) Number of treasury stock at fiscal year end:

Interim closing for FY2008 656,495 shares Interim closing for FY2007 30,609 shares FY2007 545,347 shares

Note: For the number of shares that is the basis for the calculation of consolidated net income per share, please see Page 36, "Per share data".

(Reference) Summary of non-consolidated business results

1. Results for the interim of FY 2008 (April 1, 2007 to September 30, 2007)

(1) Non-consolidated business results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim closing for FY2008	9,643	(0.6)	1,788	(29.3)	1,812	(29.3)	1,058	(29.9)
Interim closing for FY2007	9,702	2.2	2,529	2.0	2,564	1.5	1,510	0.5
FY2007	19,752	—	5,012	—	4,945	—	2,872	—

	Net income per share
	Yen
Interim closing for FY2008	32.90
Interim closing for FY2007	46.07
FY2007	88.19

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Interim closing for FY2008	46,599	42,497	91.2	1,321.76
Interim closing for FY2007	47,942	42,680	89.0	1,302.11
FY2007	47,630	42,396	89.0	1,314.07

Reference: Shareholders' equity: Interim closing for FY2008 ¥ 42,497 million Interim closing for FY2007 ¥ 42,680 million FY2007 ¥ 42,396 million

2. Forecast non-consolidated business results for the Year Ended March 31, 2008 (April 1, 2007 - March 31, 2008)

* 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	21,050	6.6	4,400	(12.2)	4,700	(5.0)	2,738	(4.7)	84.86

*** Explanation about the proper use of financial projections and other important notes**

Forecasts described above have been made based on information available as of the date of announcement and likely include factors which are uncertain. Actual results may be different from these forecasts due to various factors. For more information regarding the forecasts, see Page 9.

1. Business Results

I. Analysis of Business results

1. Business results for the current interim period

(Consolidated business results)

(In million yen)

	Net sales	Operating income	Ordinary income	Interim net income	Interim net income per share (yen)
A Result for FY2008	11,175	1,969	1,816	1,003	31.21
B Result for FY2007	10,823	2,769	2,762	1,651	50.38
Growth rate from the previous year (A/B)	3.2%	(28.9%)	(34.3%)	(39.2%)	—
C Plan for FY 2008	11,650	2,253	2,361	1,368	42.39
Growth rate from the plan (A/C)	(4.1%)	(12.6%)	(23.1%)	(26.6%)	—

(Non-consolidated business results)

(In million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
A Result for FY2008	9,643	1,788	1,812	1,058	32.90
B Result for FY2007	9,702	2,529	2,564	1,510	46.07
Growth rate from the previous year (A/B)	(0.6%)	(29.3%)	(29.3%)	(29.9%)	—
C Plan for FY2008	10,030	2,097	2,240	1,305	40.44
Growth rate from the plan (A/C)	(3.9%)	(14.7%)	(19.1%)	(18.9%)	—

Supported by the favorable improvement of corporate earnings, the Japanese economy indicated a gradual trend of recovery in the current interim consolidated fiscal period, yet destabilizing factors were present, including a slowdown in personal consumption and the impact of a rise in the prices of international products, including crude oil.

Meanwhile, in the food industry, the demands on companies have increased and are greater than before, as consumer needs diversify and there is a growing concern surrounding “security and safety”. Business conditions continue to be severe, in adverse conditions in which the prices of materials have risen, as a result of the rising trend of the prices of international products.

Under such circumstances, as a leading manufacturer in the field of natural seasonings, the Group has worked to maintain and expand existing businesses, and actively develop new business fields focusing on “food safety” and “high quality”, with a reliable system for quality and safety-hygiene control system, in order to meet the needs of customers.

The construction of a new plant on the land adjacent to the Kyushu Number2 Plant, at a cost of 8 billion yen, was completed in April 2007, and operations were launched. This new plant was designed to meet all customer needs as well as greatly expand the existing production capability.

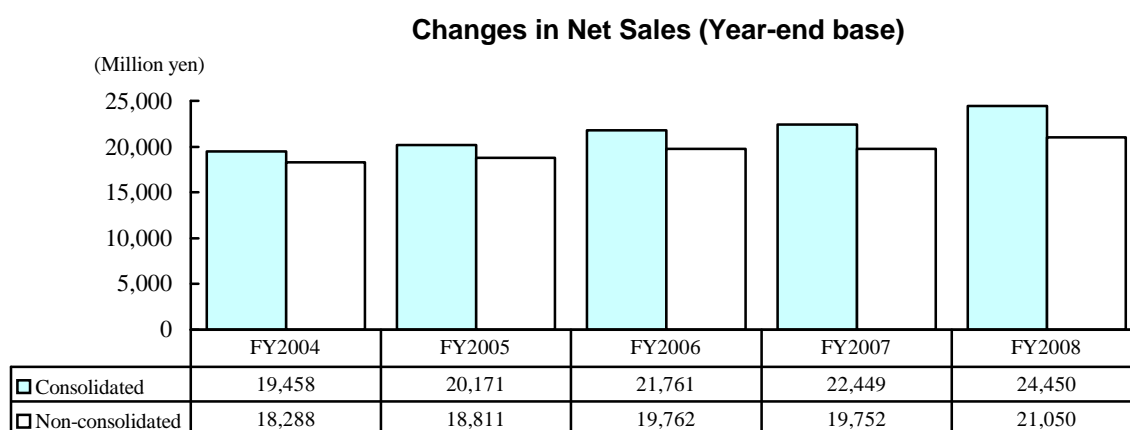
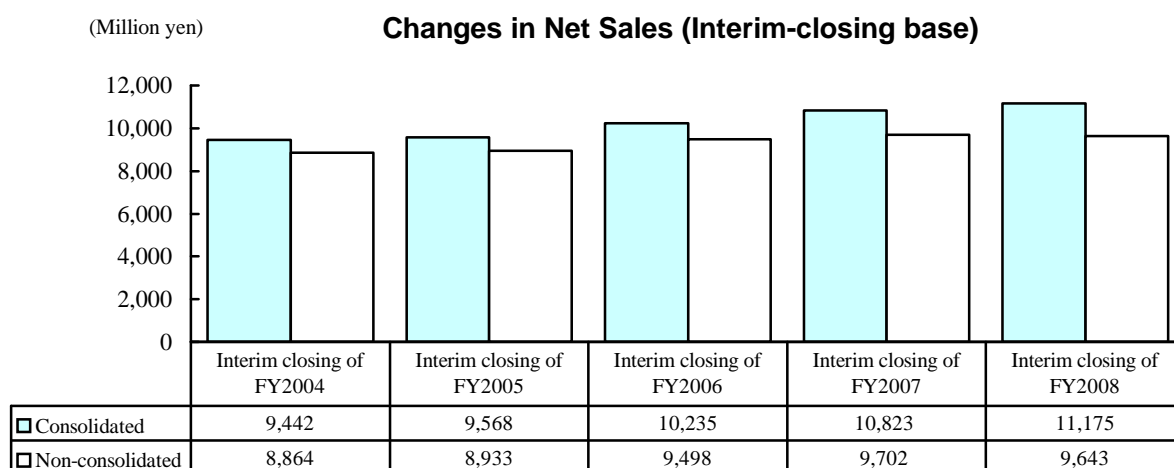
In our operations in Europe, the plants at our subsidiaries, F.P. Natural Ingredients S.A.S. in France and F.P.N.I. BELGIUM N.V. in Belgium, which have now been constructed at a total cost of approximately 43 million euros, are in the process of working out approval and license issues with the relevant authorities, and will start their operations soon.

In operations in China, against the background of the rapidly expanding seasonings business in China, a new plant at our Chinese subsidiary is under construction, at a total cost of approximately 80 million yuan for the construction of the new plant, which is scheduled to be completed in 2007.

Furthermore, in the U.S. operations, the U.S. subsidiary has steadily expanded its market and has decided to construct a new plant, at a total cost of 2.5 billion yen, in response to the future increase in demand.

Though the Company implements various long-term measures as mentioned above, as a result of a decrease in net sales, mainly due to the fact that domestic demand failed to increase as expected, the performance results in the current interim period indicated, in comparison to the initial plan, consolidated net sales of 11,175 million yen, which was 4.1% slightly less than the plan, and consolidated operating income of 1,816 million yen which was 23.1% less than the plan due to the decrease in net sales, the raise in prices of materials associated with rising crude oil prices and the advance expenses associated with new and additional facilities.

Net Sales

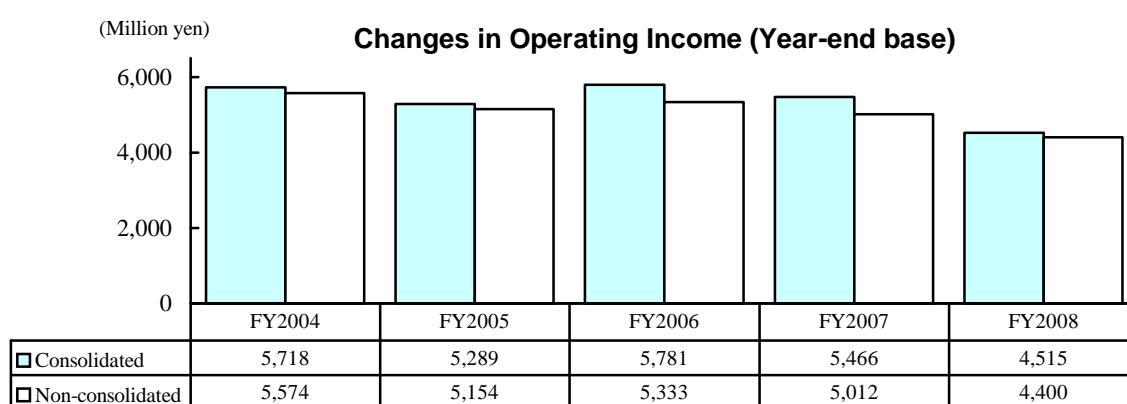
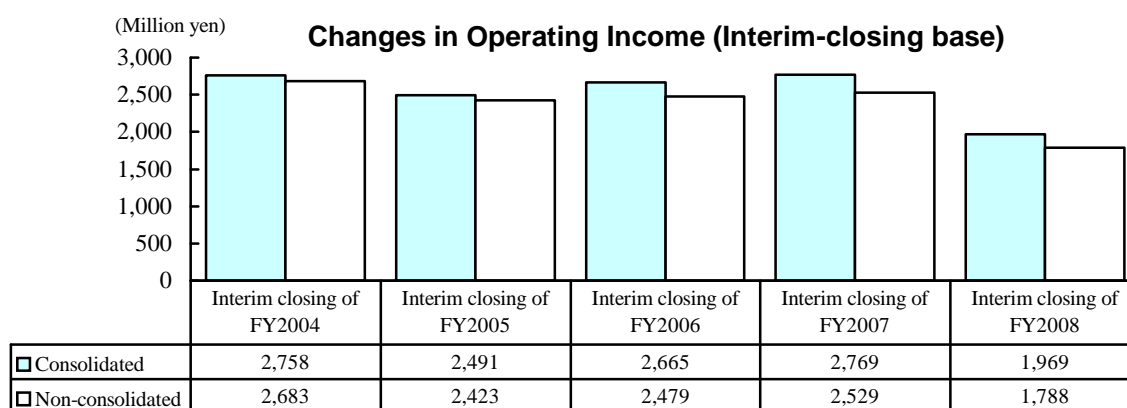


(Figures for the year ending March 2008 are projected)

In Japan (Ariake Japan Co., Ltd.), fierce competition in the food industry and extremely hot weather resulted in flat performance of net sales across the Company's segments. In the processed food sector, net sales decreased by 1.9% year on year while the Company exerted efforts to expand its net sales to the areas of prepared foods and daily dishes with main products made from vegetables, focusing on the health trends of consumers, and the net sales for instant noodles decreased by 1.7%. On the other hand, net sales for the restaurant industry increased by 1.5 % as a result of efforts made to stimulate new demand in hotels, restaurants, etc.

Regarding consolidated subsidiaries, their net sales increased by 36.8% year on year mainly because overseas subsidiaries increased business for processed food and instant noodle manufacturers. Therefore, consolidated net sales increased by 351 million yen (3.2%) year on year, to 11,175 million yen in the current interim period. On the other hand, these were 474 million yen (4.1%) below the plan. In addition, non-consolidated net sales were 9,643 million yen decreasing by 59 million yen (0.6%) over the previous year.

Operating Income



(Figures for the year ending March 2008 are projected)

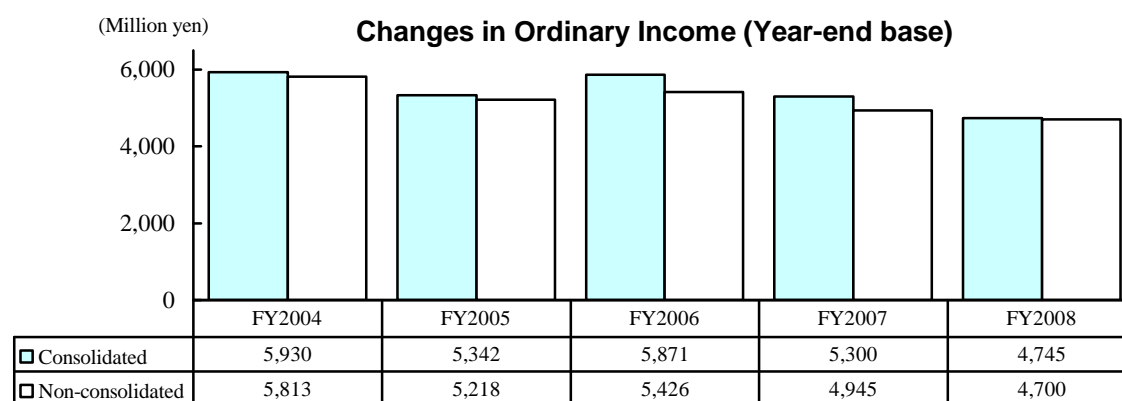
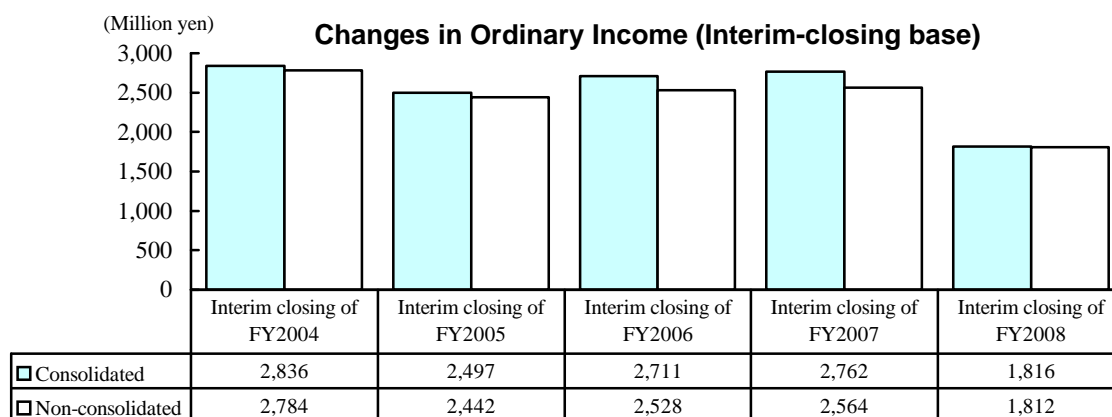
Consolidated operating income decreased by 799 million yen year on year, to 1969 million yen. In the current interim period, the cost of sales largely increased year on year due to an increase in depreciation expenses associated with the operation of new plants (approximately 544 million yen), an increase in energy costs associated with rising crude oil prices (approximately 32 million yen) and a rise in material prices (approximately 78 million yen), and the Company (Ariake Japan Co., Ltd.) has been working on cost reduction.

Meanwhile, general and administrative expenses also increased with anticipatory investment, including an increase in expenses for adding sales representatives (approximately 59 million yen) and an increase in expenses for overseas offices.

Therefore, non-consolidated operating income decreased by 740 million yen (29.3%) year on year, to 1,788 million yen.

For consolidated subsidiaries, operating income decreased due to an increase in material costs in overseas subsidiaries (approximately 50 million yen). Therefore, consolidated operating income decreased by 28.9% year on year, to 1,969 million yen, and the Group recorded a consolidated operating income to net sales ratio of 17.6%. In addition, this was 283 million yen (12.6%) below the plan.

Ordinary Income



(Figures for the year ending March 2008 are projected)

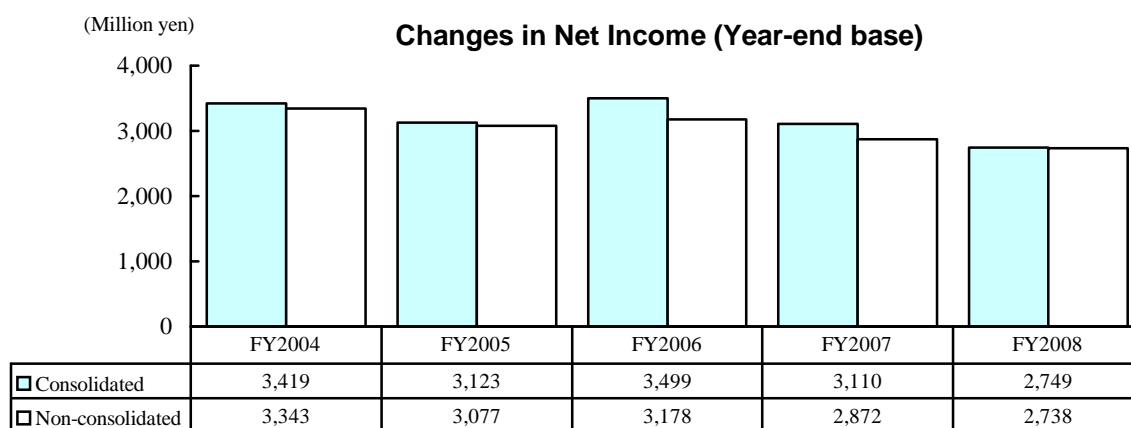
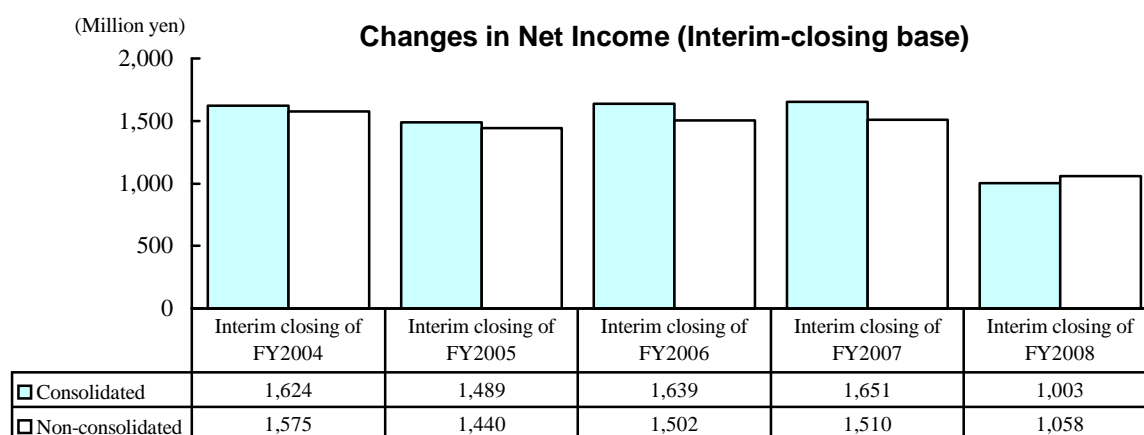
Consolidated ordinary income was 1,816 million yen (decrease by 946 million yen year on year) for the current interim period.

Although the Company (Ariake Japan Co., Ltd.) executed aggressive capital investment focusing on the future and aggressive sales promotion for the prepared food and restaurant industry, ordinary income decreased, in accordance with the decrease in operating income, and the Company recorded 1,812 million yen of non-consolidated ordinary income (decrease by 752 million yen year on year). The ordinary income to net sales ratio was 18.8%.

The decrease in ordinary income of the Company (Ariake Japan Co., Ltd.) and the Company's contribution to the plant construction cost for two European subsidiaries (approximately 167 million yen) resulted in 1,816 million yen of consolidated ordinary income (decrease by 946 million yen). The consolidated ordinary income to net sales ratio was 16.3%.

In addition, consolidated ordinary income was 544 million yen (23.1%) below the plan.

Current net income



(Figures for the year ending March 2008 are projected)

Non-consolidated interim net income was 1,058 million yen (decrease by 451 million yen year on year) since the Company (Ariake Japan Co., Ltd.) recorded a subsidy from the government for new plant construction (200 million yen) as extraordinary income while recording a past allowance for directors' retirement benefits (approximately 248 million yen) as extraordinary losses.

Consolidated interim net income was 1,003 million yen (decrease by 647 million yen year on year) and 364 million yen (26.6%) below the plan.

Interim Dividend

Although the situation encompassing the Company was very difficult in the current interim period, we are making continuing efforts for the achievement of a new long-term management plan intended to make the next leap forward by developing aggressive investment and marketing strategy domestically and internationally.

We are determined to accomplish long-term and steady extension of performance, even though the performance for the current interim period was not obtained as initially planned.

To express our gratitude to shareholders who have continued to offer their support, interim dividends from this fiscal period will be paid at a 15 yen dividend per common share as initially scheduled.

2. Forecast for the full year

(Forecast for consolidated business results)

(In million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2008	24,450	4,515	4,745	2,749	85.21
FY2007	22,449	5,466	5,300	3,110	95.50
Growth Rate	8.9%	(17.4%)	(10.5%)	(11.6%)	—

(Forecast for non-consolidated business results)

(In million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2008	21,050	4,400	4,700	2,738	84.86
FY2007	19,752	5,012	4,945	2,872	88.19
Growth Rate	6.6%	(12.2%)	(5.0%)	(4.7%)	—

(1) Forecast for full-year business results

Our outlook of performance for the whole fiscal year predicts generally stable corporate earnings along with the economic recovery trend.

However, in the food industry, the circumstances encompassing the Company is expected to continue to be severe, with concern that material and fuel prices will hover at a high level due to rising crude oil prices, in addition to adverse factors such as fierce competition among corporations, the declining birthrate and an aging society. Therefore, the Company continues with marketing efforts aimed at devising ways of stimulating the demand from customers through the strengthening of the marketing proposition.

Under such circumstances, the Group is conducting a firm growth strategy by implementing “The New Five-year Long-term Management Plan (from FY2005 to FY2009)”, and efforts are being made to achieve the planned sales and income.

In order to reach the targets in the plan, the Group is aggressively planning and implementing various measures. To begin with, in Japan, the Group completed the establishment of the new Kyushu Plant, introducing updated technology, with operations being launched in April 2007, and further strengthened its marketing force and technological power, enhancing sales representatives in the previous year to respond to change of the market along with the declining birthrate and aging society.

Regarding overseas markets, the Group opened branches in Europe and the United States, which have already started their operating activities with the aim of developing new markets. In addition, the establishment of new plants in two European companies was carried out, and new and additional facilities at subsidiaries in the United States and China are being established in view of the prospect of the worldwide increase in the demand for seasonings. Of these, the plants in Europe are almost complete, and will finish test operation at the end of October. After October, operating activities will accelerate, including participation at trade fairs in various places across Europe.

Therefore, in terms of the Group’s outlook for the year, we expect 24,450 million yen in consolidated net sales and 4,745 million yen in consolidated ordinary income, with no change in the earnings forecast announced on May 16, 2007.

On a non-consolidated basis, the outlook is 21,050 million yen in net sales and 4,700 million yen in ordinary income.

(2) Dividends

As for dividends of this fiscal year, since the profit plan is expected to be steadily accomplished over the long-term by realizing various policies of the Company’s New Five-year Long-term Management Plan, we will strive to continue to pay annual dividends at 30 yen per common share.

(3) Management indicators

The Company’s Return on Equity (ROE) target for the next fiscal year is 6.4%, but over the medium-term, we aim for 12.0% ROE and will work to achieve further increases in asset value for our investors.

Furthermore, with regard to Dividend on Equity (DOE), one of the Company’s indicators, the outlook is 2.2% for the next fiscal year. We have also made a DOE of 2.5% our goal for the medium-term.

II. Analysis of Financial Condition

(1) Overview of the current interim period

(In million yen)

	Previous interim period	Current interim period	Difference
Total assets	49,404	52,874	3,470
Net assets	43,242	43,762	519
Shareholders' equity ratio	87.2%	82.4%	(4.8%)

(In million yen)

	Previous interim period	Current interim period	Difference
Cash flows from operating activities	752	1,213	460
Cash flows from investing activities	(5,370)	(3,738)	1,632
Cash flows from financing activities	(219)	1,744	1,963
Increase/decrease in cash and cash equivalents	(4,391)	(726)	3,664
Balance of cash and cash equivalents at beginning of term	20,335	12,928	(7,407)
Balance of cash and cash equivalents at end of term	15,944	12,201	(3,742)

- Regarding financial conditions at the end of the current fiscal year, as a result of an decrease of 3,742 million yen in cash and a increase of 7,217 million yen in fixed assets compared to the end of the previous fiscal year, total assets are 52,874 million yen. As a result, the capital adequacy ratio is 82.4 %, a decrease of 4.8 % compared to the previous fiscal year.
- The Company's net income increased year-on-year by 460 million yen to 1,213 million yen through steady business activity during the current fiscal year.
- Cash flows from investing activities
For the current fiscal year, there was a net outflow of 3,738 million yen (a decrease of 1,632 million yen compared to the previous fiscal year) as a result of a 3,940 million yen outlay for capital investments.
- Cash flows from financing activities
For the current interim period, there was a net inflow of 1,744 million yen (year on year increase of 1,963 million yen) as a result of a 2,480 million yen increase in loans related to European subsidiaries.

(2) Full-year outlook

- Cash flows from operating activities
Despite the harsh business environment, we expect to achieve target sales and profits for the current fiscal year, and to see an increase in income as well.
- Cash flows from investing activities
We are planning domestic capital investments of 5,000 million yen annually.
- Cash flows from financing activities
On May 16, 2007, the company decided and announced the "acquisition of treasury stock." According to this resolution, it is scheduled that we will expend a total of about 6 billion yen.
Annual dividends are planned to be paid at 30 yen per share.

Therefore, we expect the closing balance of cash and cash equivalents for the next fiscal year to be less than the closing balance for this fiscal year.

(3) Trends in cash flow indexes

	FY2004/3	FY2005/3	FY2006/3	FY2007/3	Interim closing for FY2008
Shareholders' equity ratio (%)	87.6	89.5	88.6	85.0	82.4
Capital-to-asset ratio based on current value (%)	249.6	209.2	245.3	153.9	143.8
Debt to cash flow ratio (year)	0.2	0.1	0.0	0.4	1.6
Interest coverage ratio	170.3	203.3	304.0	186.6	29.9

Shareholders' equity ratio: shareholders' equity / total assets

Capital-to-asset ratio based on current value : total current stock value / total assets

Debt to cash flow ratio: Amortization term: interest-bearing debts / operating cash flow

Interest coverage ratio: operating cash flow / interest payments

Notes 1) All indexes are calculated using financial figures on a consolidated base.

2) Total current stock value is calculated based on final stock price at term end x number of share outstanding at term end (after deduction of treasury stock).

3) "Operating cash flow" uses cash flow from operating activities shown in consolidated statements of cash flows.

4) "Interest-bearing debts" refers to all debts posted in consolidated balance sheets for which interest is paid.

III. Basic policy regarding distribution of earnings and Dividends for Fiscal 2008

The Company considers that appropriate distribution of earnings to the shareholders is one of the most important management priorities. Therefore, the Company has been based on the principle of paying dividends consistent with its business performance. The Company has pursued a policy of paying substantial stable dividends by considering various indicators in proportion to the growth of the business. At the same time, the Company has paid attention to the anticipated business environment and long-term business development and maintained ample internal reserves to strengthen the business quality.

Specifically, with the objective of achieving a stable distribution of profits, the Company has been paying dividends based on Dividend on Equity (DOE) for shareholders' capital investments.

We have determined that DOE is an effective method to ensure directly a high dividend rate for our shareholders. The Company will endeavor to increase DOE by 2.5% in the long term with management efforts.

To expand business activities, accumulated earnings are held for the strategic investment and loan for expanding the natural seasoning sector in accordance with "the New Five-year Long-term Management Plan" which started in FY2005, as well as for the increase in stock value through expeditious and flexible utilization of treasury stocks which started in October 2006.

Despite the fact that the circumstances encompassing the Company were very severe in the current interim period, the New Five-year Long-term Management Plan is steadily progressing. To express our gratitude to shareholders who have continued to offer their support, interim dividends from this fiscal period will be paid at a 15 yen dividend per common share as initially scheduled.

2. Outline of the Business Group

We have omitted disclosure since there was no material change from “Business Overview” and “Condition of Group Companies” in the last securities report (submitted on June 18, 2007).

3. Business Strategy

1. Basic business policy
2. Key management indicator
3. Mid- and Long-term business plan
4. Issues which the Company needs to address

We have omitted disclosure since there was no material change from the content disclosed by the financial report for the year ended March 31, 2007 (disclosed on May 16, 2007).

This financial report can be referred to at the following URL.

(Website of the Company)

<http://www.ariakejapan.com/>

(Website of Tokyo Stock Exchange Group (Listed company information page))

<http://www.tse.or.jp/listing/compsearch/index.html>

4. Consolidated Financial Statement

(1) Interim Consolidated Balance Sheets

(In thousand yen)

Account	Annotation	At the end of the Current Consolidated Interim Period (As of September 30, 2006)			At the end of the Current Consolidated Interim Period (As of September 30, 2007)			Difference	Summary of Consolidated Balance Sheets for FY2007 (As of March 31, 2007)		
		Amount	Amount	Ratio (%)	Amount	Amount	Ratio (%)		Amount	Amount	Ratio (%)
(Assets)											
I. Current assets											
1. Cash and time deposits			15,944,382			12,201,580		(3,742,802)		12,928,393	
2. Notes and accounts receivable	*2		5,442,529			5,338,481		(104,047)		5,033,634	
3. Inventories			3,301,272			3,403,514		102,241		3,198,661	
4. Other current assets			742,923			934,809		191,886		796,705	
5. Allowance for doubtful accounts			(3,898)			(9,680)		(5,781)		(9,525)	
Total current assets			25,427,209	51.5		21,868,705	41.4	(3,558,503)		21,947,868	43.2
II. Fixed assets											
1. Tangible fixed assets											
(1) Buildings and structure		10,417,612			14,831,570				10,503,564		
Accumulated depreciation		5,235,236	5,182,375		5,692,143	9,139,427		3,957,051	5,385,581	5,117,983	
(2) Machines, devices, and delivery equipment		13,663,770			17,726,726				13,333,112		
Accumulated depreciation		10,810,823	2,852,946		11,463,221	6,263,505		3,410,558	10,686,867	2,646,245	
(3) Land			4,549,595			4,584,947		35,351		4,568,269	
(4) Construction in progress			7,424,276			7,229,456		(194,819)		12,565,234	
(5) Other fixed assets		829,584			829,989				796,300		
Accumulated depreciation		716,965	112,618		708,426	121,563		8,945	689,378	106,922	
Total tangible fixed assets			20,121,812	40.7		27,338,899	51.7	7,217,087		25,004,655	49.2
2. Intangible fixed assets			150,794	0.3		130,988	0.2	(19,805)		139,937	0.3
3. Investments and other assets											
(1) Investments in securities			2,209,112			1,817,899		(391,212)		2,064,574	
(2) Long-term loans receivable			71,634			53,178		(18,456)		58,470	
(3) Investments in real estates	*1		573,537			566,906		(6,630)		570,156	
(4) Deferred tax assets			—			135,999		135,999		—	
(5) Other investments			858,551			962,115		103,563		1,042,111	
(6) Allowance for doubtful accounts			(8,413)			(237)		8,176		(254)	
Total investments and other assets			3,704,423	7.5		3,535,863	6.7	(168,559)		3,735,060	7.3
Total fixed assets			23,977,030	48.5		31,005,751	58.6	7,028,721		28,879,654	56.8
Total assets			49,404,239	100.0		52,874,457	100.0	3,470,217		50,827,522	100.0

Account	Annotation	At the end of the Current Consolidated Interim Period (As of September 30, 2006)			At the end of the Current Consolidated Interim Period (As of September 30, 2007)			Difference	Summary of Consolidated Balance Sheets for FY2007 (As of March 31, 2007)		
		Amount	Amount	Ratio (%)	Amount	Amount	Ratio (%)		Amount	Amount	Ratio (%)
(Liabilities)											
I. Current liabilities											
1. Notes and accounts payable	*2		1,683,655		1,757,179		73,524		1,651,945		
2. Short-term loans payable			448,819		3,912,952		3,464,133		1,397,154		
3. Income taxes payable			1,088,858		818,018		(270,839)		899,302		
4. Allowance for employee bonuses			152,109		141,504		(10,604)		166,410		
5. Allowance for directors' bonuses			—		—		—		52,300		
6. Other current liabilities			1,825,664		1,260,607		(565,056)		2,225,118		
Total current liabilities			5,199,105	10.5	7,890,262	14.9	2,691,156		6,392,230	12.6	
II. Fixed liabilities											
1. Long-term loans payable			—		—		—		20,000		
2. Allowance for employee retirement benefits			596,043		595,067		(975)		605,346		
3. Allowance for directors' retirement benefits			—		257,239		257,239		—		
4. Deferred tax liabilities			177,557		98,777		(78,779)		188,542		
5. Others total fixed			188,720		270,898		82,178		225,067		
Total fixed liabilities			962,320	2.0	1,221,982	2.3	259,662		1,038,955	2.0	
Total liabilities			6,161,426	12.5	9,112,245	17.2	2,950,818		7,431,186	14.6	
(Net Assets)											
I. Shareholders' equity											
1. Common stock			7,095,096	14.4	7,095,096	13.4	—		7,095,096	14.0	
2. Capital surplus			7,833,869	15.8	7,833,869	14.8	—		7,833,869	15.4	
3. Retained earnings			27,513,837	55.7	29,001,180	54.9	1,487,342		28,481,472	56.0	
4. Treasury stocks			(110,950)	(0.2)	(1,536,793)	(2.9)	(1,425,842)		(1,284,247)	(2.5)	
Total shareholders' equity			42,331,852	85.7	42,393,351	80.2	61,499		42,126,189	82.9	
II. Unrealized gains and adjustments											
1. Unrealized gains on other securities			266,594	0.5	51,075	0.1	(215,518)		217,960	0.4	
2. Deferred gains on hedges			213,562	0.4	226,811	0.4	13,249		280,295	0.6	
3. Adjustment account for foreign currency exchange			269,447	0.6	883,576	1.7	614,129		577,703	1.1	
Total unrealized gains and adjustments			749,603	1.5	1,161,463	2.2	411,860		1,075,959	2.1	
III. Minority interest											
Total net assets			43,242,812	87.5	43,762,211	82.8	519,398		43,396,336	85.4	
Total liabilities and net assets			49,404,239	100.0	52,874,457	100.0	3,470,217		50,827,522	100.0	

(2) Interim Consolidated Statements of Income

(In thousand yen)

Account	Annotation	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)			Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)			Difference	Summary of Consolidated Statement of Income of FY2007 (April 1, 2006 to March 31, 2007)		
		Amount	Amount	Ratio (%)	Amount	Amount	Ratio (%)		Amount	Amount	Ratio (%)
I. Net sales			10,823,620	100.0		11,175,220	100.0	351,599		22,449,081	100.0
II. Cost of sales			6,287,982	58.1		7,189,009	64.3	901,027		13,104,269	58.4
Gross profit			4,535,638	41.9		3,986,210	35.7	(549,427)		9,344,812	41.6
III. Selling, general and administrative expenses	*1		1,766,349	16.3		2,016,732	18.1	250,382		3,878,654	17.3
Operating income			2,769,288	25.6		1,969,478	17.6	(799,810)		5,466,157	24.3
IV. Non-operating income											
1. Interest income and dividends		31,657			46,683				38,147		
2. Foreign exchange gains		29,160			12,617				52,877		
3. House rent received		13,486			13,398				25,522		
4. Other non-operating income		20,381	94,687	0.8	27,918	100,617	0.9	5,930	47,399	163,947	0.7
V. Non-operating expenses											
1. Interest paid		4,147			40,541				17,224		
2. Expenses for new overseas business		69,970			173,963				139,885		
3. Other non-operating expenses		26,937	101,056	0.9	39,186	253,692	2.3	152,636	172,532	329,642	1.4
Ordinary income			2,762,919	25.5		1,816,403	16.2	(946,568)		5,300,462	23.6
VI. Extraordinary income											
1. Gain on sales of property, plant and equipment	*2	758			850				781		
2. Subsidy for promotion costs in corporate location		—			200,000				—		
3. Gain on sales of investment securities		—	758	0.0	—	200,850	1.8	200,091	28,639	29,421	0.1
VII. Extraordinary losses											
1. Loss on retirement of fixed assets	*3	664			19,639				41,167		
2. Loss on sales of investment securities		560			387				17,366		
3. Provision of allowance for directors' retirement benefits		—			248,574				—		
4. Loss on cancellation of executive insurance policies		8,016			—				8,016		
5. Loss on asset impairment		—			20,043				—		
6. Loss on maintenance of overseas sale network		2,896			—				2,896		
7. Other extraordinary losses		—	12,136	0.1	15,884	304,528	2.7	292,391	—	69,446	0.3
Income before income tax			2,751,541	25.4		1,712,725	15.3	(1,038,815)		5,260,436	23.4
Income, inhabitant and business taxes		1,095,076			772,849				2,089,588		
Adjustments for income and other taxes		(6,230)	1,088,845	10.0	(64,650)	708,199	6.3	(380,646)	34,577	2,124,166	9.4
Minority interest in net income			11,301	0.1		864	0.0	(10,436)		25,552	0.1
Net income			1,651,394	15.3		1,003,661	9.0	(647,732)		3,110,718	13.9

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

Interim closing for FY2007 (April 1, 2006 to September 30, 2006)

(In thousand yen)

	Shareholders' equity				
	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
Amount of fluctuation during the consolidated interim period					
Dividend from retained earnings			(491,681)		(491,681)
Bonuses for directors			(51,100)		(51,100)
Net income			1,651,394		1,651,394
Acquisition of treasury stocks				(2,476)	(2,476)
Disposal of treasury stocks			(183)	614	430
Amount of fluctuation of items other than shareholders' equity during the consolidated interim period (net)					
Total amount of fluctuation during the consolidated interim period	–	–	1,108,429	(1,861)	1,106,567
Balance as of September 30, 2006	7,095,096	7,833,869	27,513,837	(110,950)	42,331,852

	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 on other securities		
Balance as of March 31, 2006	450,873	–	(111,756)	339,117	152,228	41,716,630
Amount of fluctuation during the consolidated interim period						
Dividend from retained earnings						(491,681)
Bonuses for directors						(51,100)
Net income						1,651,394
Acquisition of treasury stocks						(2,476)
Disposal of treasury stocks						430
Amount of fluctuation of items other than shareholders' equity during the consolidated interim period (net)	(184,279)	213,562	381,203	410,486	9,128	419,615
Total amount of fluctuation during the consolidated interim period	(184,279)	213,562	381,203	410,486	9,128	1,526,182
Balance as of September 30, 2006	266,594	213,562	269,447	749,603	161,356	43,242,812

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

Interim closing for FY2008 (April 1, 2007 to September 30, 2007)

(In thousand yen)

	Shareholders' equity				
	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
Amount of fluctuation during the consolidated interim period					
Dividend from retained earnings			(483,950)		(483,950)
Net income			1,003,661		1,003,661
Acquisition of treasury stocks				(252,871)	(252,871)
Disposal of treasury stocks			(3)	325	321
Amount of fluctuation of items other than shareholders' equity during the consolidated interim period (net)					
Total amount of fluctuation during the consolidated interim period	-	-	519,708	(252,545)	267,162
Balance as of September 30, 2007	7,095,096	7,833,869	29,001,180	(1,536,793)	42,393,351

	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 on other securities		
Balance as of March 31, 2007	217,960	280,295	577,703	1,075,959	194,187	43,396,336
Amount of fluctuation during the consolidated interim period						
Dividend from retained earnings						(483,950)
Net income						1,003,661
Acquisition of treasury stocks						(252,871)
Disposal of treasury stocks						321
Amount of fluctuation of items other than shareholders' equity during the consolidated interim period (net)	(166,884)	(53,483)	305,873	85,504	13,208	98,713
Total amount of fluctuation during the consolidated interim period	(166,884)	(53,483)	305,873	85,504	13,208	365,875
Balance as of September 30, 2007	51,075	226,811	883,576	1,161,463	207,396	43,762,211

FY 2007 (From April 1, 2006 to March 31, 2007)

(In thousand yen)

	Shareholders' equity				
	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
Amount of fluctuation during the consolidated fiscal year					
Dividend from retained earnings (Note 1)			(983,352)		(983,352)
Bonuses for directors (Note 2)			(51,100)		(51,100)
Net income			3,110,718		3,110,718
Acquisition of treasury stocks				(1,176,174)	(1,176,174)
Disposal of treasury stocks			(202)	1,015	813
Amount of fluctuation of items other than shareholders' equity during the consolidated fiscal year (net)					
Total amount of fluctuation during the consolidated fiscal year	—	—	2,076,063	(1,175,158)	900,904
Balance as of March 31, 2007	7,095,096	7,833,869	28,481,472	(1,284,247)	42,126,189

	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 on other securities		
Balance as of March 31, 2006	450,873	—	(111,756)	339,117	152,228	41,716,630
Amount of fluctuation during the consolidated fiscal year						
Dividend from retained earnings (Note 1)						(983,352)
Bonuses for directors (Note 2)						(51,100)
Net income						3,110,718
Acquisition of treasury stocks						(1,176,174)
Disposal of treasury stocks						813
Amount of fluctuation of items other than shareholders' equity during the consolidated fiscal year (net)	(232,913)	280,295	689,459	736,841	41,959	778,801
Total amount of fluctuation during the consolidated fiscal year	(232,913)	280,295	689,459	736,841	41,959	1,679,706
Balance as of March 31, 2007	217,960	280,295	577,703	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.

(4) Interim Consolidated Statements of Cash Flows

(In thousand yen)

Account	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	Difference	Summary of Consolidated Statement of Cash Flows of FY2007 (April 1, 2006 to March 31, 2007)
	Amount	Amount		Amount
I. Cash flows from operating activities				
Net income before income tax	2,751,541	1,712,725	(1,038,815)	5,260,436
Depreciation and amortization	471,696	1,032,390	560,694	973,019
Amortization for goodwill	9,831	9,831	—	19,662
Loss on asset impairment	—	20,043	20,043	—
Subsidy for promotion costs in corporate location	—	(200,000)	(200,000)	—
Increase or decrease in allowance for doubtful accounts	485	137	(348)	(2,045)
Increase or decrease in allowance for employee retirement benefits	31,555	(10,278)	(41,834)	40,858
Increase in allowance for directors' retirement benefits	—	257,239	257,239	—
Interest and dividends received	(31,657)	(46,683)	(15,025)	(38,147)
Interest paid	4,147	40,541	36,394	17,224
Increase or decrease in accounts receivable-trade	(734,264)	(283,869)	450,394	(274,430)
Increase or decrease in inventories	(138,709)	(181,967)	(43,258)	4,440
Increase in accounts payables	103,671	83,842	(19,829)	44,067
Increase or decrease in consumption tax and other taxes payable	(141,687)	304,113	445,801	(274,394)
Payments of bonuses to directors and auditors	(51,100)	(52,300)	(1,200)	(51,100)
Others	(294,529)	(656,491)	(361,962)	(60,928)
Subtotal	1,980,982	2,029,275	48,292	5,658,662
Interest and dividend received	31,657	46,683	15,025	38,147
Interest expenses paid	(4,147)	(40,541)	(36,394)	(17,224)
Income and other taxes paid	(1,255,773)	(822,133)	433,639	(2,466,181)
Cash flows provided by operating activities	752,719	1,213,282	460,563	3,213,404
II. Cash flows from investing activities				
Payments for purchase of tangible fixed assets	(4,990,394)	(3,940,143)	1,050,251	(9,909,347)
Proceeds from sales of fixed assets	1,060	—	(1,060)	1,060
Payments for purchase of investment securities	(53,947)	(30,928)	23,018	(17,838)
Proceeds from sales of investment securities	—	—	—	39,473
Payment for purchase of shares of subsidiaries	(595,702)	—	595,702	(595,702)
Payment for transfer of business	—	—	—	(211,104)
Payment for loans receivable	(538)	(595)	(56)	(2,082)
Proceeds from collection of loans receivable	5,005	6,153	1,148	20,149
Proceeds from subsidy	188,635	238,594	49,958	220,981
Others	75,050	(11,239)	(86,289)	69,829
Cash flows used in investing activities	(5,370,831)	(3,738,159)	1,632,671	(10,384,580)
III. Cash flows from financing activities				
Net increase in short-term loans payable	274,510	2,480,399	2,205,889	1,217,147
Net increase in long-term loans payable	—	—	—	20,000
Payment for acquisition of treasury stocks	(2,476)	(252,871)	(250,394)	(1,176,174)
Proceeds from sales of treasury stocks	430	325	(105)	813
Payments for dividends	(491,652)	(483,734)	7,917	(983,346)
Cash flows used in financing activities	(219,187)	1,744,119	1,963,306	(921,559)
IV. Conversion differential of cash and cash equivalents	446,224	53,944	(392,280)	685,671
V. Increase in cash and cash equivalents	(4,391,075)	(726,813)	3,664,261	(7,407,064)
VI. Cash and cash equivalents at beginning of term	20,335,457	12,928,393	(7,407,064)	20,335,457
VII. Cash and cash equivalents at the end of (the interim) term	15,944,382	12,201,580	(3,742,802)	12,928,393

Basic conditions to prepare Consolidated Interim Financial Statements

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
1. Matters relating to the scope of consolidation	<p>(1) Consolidated subsidiary companies are the following five: A.C.C. Co., Ltd. Ariake U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N. BELGIUM N.V. Taiwan Tong Hsing Foods Co., Ltd. As we acquired new shares in Taiwan Tong Hsing Foods Co., Ltd. in this consolidated fiscal year, these companies are included in the consolidation.</p> <p>(2) Main non-consolidated subsidiaries: Ariake Farm Co., Ltd. Dear. SOUP Co., Ltd Reason excluded from the scope of consolidation: The non-consolidated subsidiary Ariake Farm and Dear. SOUP Co. Ltd. are small firm, and their total assets, sales, net income and retained earnings (corresponding to equity) do not have a significant influence on the consolidated financial statements.</p>	<p>(1) Consolidated subsidiary companies are the following seven: A.C.C. Co., Ltd. Ariake U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N.I. BELGIUM N.V. Taiwan Ariake Foods Co., Ltd. Dear. SOUP Co., Ltd</p> <p>(2) Main non-consolidated subsidiaries: Ariake Farm Co., Ltd. Reason excluded from the scope of consolidation: The non-consolidated subsidiary Ariake Farm is a small firm, and their total assets, sales, net income and retained earnings (corresponding to equity) do not have a significant influence on the consolidated financial statements.</p>	<p>(1) Consolidated subsidiary companies are the following seven: A.C.C. Co., Ltd. Ariake U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N. BELGIUM N.V. Taiwan Ariake Foods Co., Ltd. (Former: Taiwan Tong Hsing Foods Co., Ltd.) Dear. SOUP Co., Ltd As we acquired new shares in Taiwan Ariake Foods Co., Ltd. and newly established Dear. SOUP Co., Ltd in this consolidated fiscal year, these companies are included in the consolidation.</p> <p>(2) Main non-consolidated subsidiaries: Ariake Farm Co., Ltd. Reason excluded from the scope of consolidation: Same as left</p>
2. Matters related to subsidiaries and affiliates adopting the equity method	<p>(1) Number and names of companies adopting equity method: None Affiliated companies: None</p> <p>(2) Non-consolidated subsidiaries that are not using the equity method: Considering the net income (corresponding to equity) and retained earnings (corresponding to equity), Ariake Farm and Dear. SOUP Co., Ltd has an insignificant influence on consolidated financial statements. Since it is not financially important overall, it has been excluded from the scope of application of the equity method.</p>	<p>(1) Number and names of companies adopting equity method: None Affiliated companies: None</p> <p>(2) Non-consolidated subsidiaries that are not using the equity method: Considering the net income (corresponding to equity) and retained earnings (corresponding to equity), Ariake Farm has an insignificant influence on consolidated financial statements. Since it is not financially important overall, it has been excluded from the scope of application of the equity method.</p>	<p>(1) Number and names of companies adopting equity method: None Affiliated companies: None</p> <p>(2) Non-consolidated subsidiaries that are not using the equity method: Same as left</p>

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1,2006 to March 31, 2007)
3.Matters relating to business year of consolidated subsidiaries	<p>The closing date of Ariake U.S.A., Inc., Qingdao Ariake Foodstuff Co., Ltd., F. P. Natural Ingredients S.A.S., F. P. N. BELGIUM N.V. and Taiwan Tong Hsing Foods Co., Ltd. is June 30.</p> <p>Although the Company uses all the subsidiaries' interim financial statements as of June 30 to prepare the consolidated financial statements, any significant transactions accrued from that date to the interim consolidated book closing date are adjusted according to consolidation requirements.</p>	<p>The closing date of Ariake U.S.A., Inc., Qingdao Ariake Foodstuff Co., Ltd., F. P. Natural Ingredients S.A.S., F. P. N. BELGIUM N.V. and Taiwan Ariake Foods Co., Ltd. is June 30.</p> <p>Although the Company uses all the subsidiaries' interim financial statements as of June 30 to prepare the consolidated financial statements, any significant transactions accrued from that date to the interim consolidated book closing date are adjusted according to consolidation requirements.</p>	<p>The closing day of Ariake U.S.A., Inc., Qingdao Ariake Foodstuff Co., Ltd., F. P. Natural Ingredients S.A.S., F. P. N. BELGIUM N.V. and Taiwan Ariake Foods Co., Ltd is December 31.</p> <p>Although the Company uses all the subsidiaries' financial statements as of December 31 to prepare the consolidated financial statements, any significant transactions accrued from that day to the consolidated book closing day are adjusted according to consolidation requirements.</p>
4.Matters relating to accounting standards	<p>(1) Standard and method of evaluating important assets</p> <p>(i) Securities Other Securities (a) Securities with market price Mark-to-market method based on the market price as of the closing day of accounts (all the revaluation differences are incorporated directly into the net assets and costs for sale are computed with the moving average method) (b) Securities without market price Cost method under the moving average method</p> <p>(ii) Derivatives Mark-to-market method</p> <p>(iii) Major inventories (a) Products Mainly cost method under the identified cost method (b) Materials Mainly cost method under the moving average method (c) Work in progress Mainly cost method under the identified cost method</p>	<p>(1) Standard and method of evaluating important assets</p> <p>(i) Securities Other Securities (a) Securities with market price Same as left (b) Securities without market price Same as the left</p> <p>(ii) Derivatives Same as left</p> <p>(iii) Major inventories (a) Products Same as left (b) Materials Same as left (c) Work in progress Same as left</p>	<p>(1) Standard and method of valuating important assets</p> <p>(i)Securities Other Securities (a)Securities with any market price Mark-to-market method based on the market price as of the closing day of accounts (all the revaluation differences are incorporated directly into the net assets and costs for sale are computed with the moving average method) (b)Securities without any market price Same as left</p> <p>(ii) Derivatives Same as left</p> <p>(iii) Major inventories (a)Products Same as left (b)Materials Same as left (c)Work in progress Same as left</p>

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
	<p>(2) Important depreciation method for depreciable assets</p> <p>(i) Tangible fixed assets</p> <p>(a) Domestic corporations Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over 3 years. Useful lives of major assets are as follows: Buildings and structures: 7-50 years Machines, devices and delivery equipment : 4-9 years</p> <p>(b) Overseas subsidiaries : Primarily straight-line method based on the estimated useful life</p> <p>(ii) Intangible fixed assets Straight-line method As for software for own use, straight-line method for internally available period (5 years) is applied</p> <p>(iii) Investments in real estate Declining balance method</p>	<p>(2) Important depreciation method for depreciable assets</p> <p>(i) Tangible fixed assets</p> <p>(a) Domestic corporations Declining balance method Same as left</p> <p>(Additional information) Regarding assets acquired on or before March 31, 2007, the Company and domestic consolidated subsidiaries, in accordance with the amendment of the Corporate Tax Law, uniformly amortize the difference between 5% of the acquisition cost and memorandum value over five years from the next consolidated fiscal year of a consolidated fiscal year in which such assets are depreciated to 5% of their acquisition cost by application of the depreciation method based on the Corporate Tax Law before amendments and such expenses are recorded as depreciation expenses. As a result of this, operating income, ordinary income and interim net income before adjustments for taxes decreased by 23,135 thousand yen respectively.</p> <p>(b) Overseas subsidiaries : Same as left</p> <p>(ii) Intangible fixed assets Same as left</p> <p>(iii) Investments in real estate Same as left</p>	<p>(2) Important depreciation method for depreciable assets</p> <p>(i) Tangible fixed assets</p> <p>(a) Domestic corporations Declining balance method Same as left</p> <p>(b) Overseas subsidiaries : Same as left</p> <p>(ii) Intangible fixed assets Same as left</p> <p>(iii) Investments in real estates Same as left</p>

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
	<p>(3)Standards for additions to allowances (i) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio is reserved for ordinary receivables, and the amount of possible losses is included in the reserve based on consideration of the collectibility of individual doubtful accounts.</p> <p>(ii) Allowance for employee bonuses Except for the overseas subsidiaries, the Company reserves the estimated amount of the bonuses to prepare for payment to employees.</p> <p>(iii) _____</p> <p>(iv) Allowance for employee retirement benefits To prepare for payment of benefits to retired employees, the amount of actual payment is reserved based on estimation of retirement benefit liabilities and pension assets regarded as existing at the end of the consolidated fiscal year. For the difference in actuarial calculation, the five-year proportionally-divided amount with the straight-line method based on a fixed number of years (five years) within the average remaining service periods of employees at occurrence in each fiscal year shall be reported as expense from the following fiscal year. Expenses of past service liability are calculated by the straight-line method according to a designated number of years (five years) of average residual length of service by an employee at the time such expenses arise.</p> <p>(v) _____</p>	<p>(3) Standards for additions to allowances (i) Allowance for doubtful accounts Same as left</p> <p>(ii) Allowance for employee bonuses Same as left</p> <p>(iii) _____</p> <p>(iv) Allowance for employee retirement benefits Same as left</p> <p>(v) Allowance for directors' retirement benefits To prepare for payment of directors' retirement benefits, the company has reserved and recorded the required amounts as of the end of the interim period based on the internal regulations regarding directors' retirement benefits.</p>	<p>(3)Standards for additions to allowances (i) Allowance for doubtful accounts Same as left</p> <p>(ii) Allowance for employee bonuses Same as left</p> <p>(iii)Allowance for directors' bonuses The company has reserved and recorded as this fiscal year's company's contribution a part of the estimated amount of directors' bonus to prepare for payment to directors.</p> <p>(iv)Allowance for employee retirement benefits To prepare for payment of benefits to retired employees, the amount of actual payment is reserved based on estimation of retirement benefit liabilities and pension assets regarded. For the difference in actuarial calculation, the five-year proportionally-divided amount with the straight-line method based on a fixed number of years (five years) within the average remaining service periods of employees at occurrence in each fiscal year shall be reported as expense from the following fiscal year. Expenses of past service liability are calculated by the straight-line method according to a designated number of years (five years) of average residual length of service by an employee at the time such expenses arise.</p> <p>(v) _____</p>

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
	<p>(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen Receivables and payables denominated in foreign currencies are converted to Japanese yen using the closing spot exchange rate for the closing day of the consolidated period, and differences are recorded as gains or losses. The assets and liabilities, as well as income and expenses, of overseas subsidiaries were converted to Japanese yen using the spot exchange rate for the closing day of the consolidated period and differences are included in the adjustment account for currency conversion under minority interests and net assets.</p> <p>(5) Accounting of lease transactions Finance lease transactions are accounted by the method similar to operating lease transactions, excluding financial lease transactions where ownership of the leased property may be transferred to the lessee.</p> <p>(6) Hedge accounting methods</p> <p>(i) Methods of hedge accounting Deferred hedge accounting is used. Allocation accounting is applied to foreign-currency-denominated liabilities with exchange contracts.</p> <p>(ii) Measures of hedging and targets of hedging Measures of hedging: Currency swaps Targets of hedging: Purchase liabilities following imports of materials from subsidiaries overseas with possible losses due to currency fluctuations.</p> <p>(iii) Policies on hedging Based on the basic policies approved by the Management Committee of the Company, the Management Coordination Department is in charge of controlling and executing trading, and regularly reporting to the Management Committee. Counterparties of trading are limited to high-quality financial institutions.</p> <p>(iv) Methods to assess effectiveness of hedging The accumulated total of price fluctuations or cash flow fluctuations of the targets of hedging is compared with the accumulated total of price fluctuations or cash flow fluctuations of the measures of hedging, and the effectiveness is assessed according to these fluctuations.</p>	<p>(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen Same as left</p> <p>(5) Accounting of lease transactions Same as left</p> <p>(6) Hedge accounting methods</p> <p>(i) Methods of hedge accounting Same as left</p> <p>(ii) Measures of hedging and targets of hedging Measures of hedging: Same as left Targets of hedging: Same as left</p> <p>(iii) Policies on hedging Same as left</p> <p>(iv) Methods to assess effectiveness of hedging Same as left</p>	<p>(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen Same as left</p> <p>(5) Accounting of lease transactions Same as left</p> <p>(6) Hedge accounting methods</p> <p>(i) Methods of hedge accounting Same as left</p> <p>(ii) Measures of hedging and targets of hedging Measures of hedging: Same as left Targets of hedging: Same as left</p> <p>(iii) Policies on hedging Same as left</p> <p>(iv) Methods to assess effectiveness of hedging Same as left</p>

Term	Previous Consolidated Interim Period (April 1, 2006 to September 30,2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1,2006 to March 31, 2007)
	(7) Other important matters to prepare Interim Financial Statements (i) Accounting of the consumption tax The Company applies the tax-exclusion accounting method.	(7) Other important matters to prepare Interim Financial Statements (i) Accounting of the consumption tax The Company applies the tax-exclusion accounting method.	(7) Other important matters to prepare Interim Financial Statements (i) Accounting of the consumption tax The Company applies the tax-exclusion accounting method.
5.Scope of cash in consolidated statements of cash flows	Cash (cash and cash equivalents) in the Interim Consolidated Statement of Cash Flows consist of cash on hand, deposit which are at any time available for withdrawal, and short-term investments convertible easily into cash and repayable within 3 months after acquisition, with little risk for price fluctuation.	Same as left	Same as left

Change in Basic conditions to prepare Consolidated Financial Statements

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
<p>Beginning in this consolidated interim period, the Company adopted “Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards No.5, December 9, 2005) and “Application Guidelines for Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards Guidelines No.8, December 9, 2005).</p> <p>To date, the total amount in equity section is 42,867,893 thousand yen.</p> <p>Note that the section of the net asset in the consolidated balance sheet for this consolidated interim period has been prepared in accordance with the amended rule on consolidated financial statements.</p>	—	<p>Beginning in this consolidated fiscal year, the Company adopted “Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards No.5, December 9, 2005) and “Application Guidelines for Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards Guidelines No.8, December 9, 2005).</p> <p>To date, the total amount in equity section is 42,921,853 thousand yen.</p> <p>Note that the section of the net asset in the consolidated balance sheet for this consolidated fiscal year has been prepared in accordance with the amended rule on consolidated financial statements.</p>
—	—	<p>Beginning in this consolidated fiscal year, the Company adopted “Accounting Standards related to Directors’ Bonus” (Business Accounting Standards No.4, November 29, 2005).</p> <p>Therefore, operating income, ordinary income, and net income before taxes have each decreased by 52,300 thousand yen. Note that its effect on the data in the segments is marginal.</p>
—	<p>Although directors’ retirement benefits were previously expensed upon payment, we decided to reserve and record the required amount of payments as of the end of the interim consolidated fiscal period, based on the internal regulations, as allowance for directors’ retirement benefits from the current interim consolidated fiscal period, following upon the fact that directors’ bonuses began to be expensed as a result of the announcement of “Auditing Treatment concerning Reserves under the Special Taxation Measures Law, Allowance or Reserves under the Special Law and Allowance for Directors’ Retirement Benefits” (Audit and Assurance Practice Committee Report No.42) and the application of “Accounting Standard concerning Director’s Bonuses” (Corporate Accounting Standards No. 4, November 29, 2005).</p> <p>As a result of this change, operating income and ordinary income decreased by 8,665 thousand yen and interim net income before adjustments for taxes decreased by 257,239 thousand yen.</p> <p>Note that its effect on the data in the segment information is marginal.</p>	—

Notes

(On the Consolidated Balance Sheet)

Previous Consolidated Interim Period (As of September 30, 2006)	Current Consolidated Interim Period (As of September 30, 2007)	FY2007 (As of March 31, 2007)
<p>*1. Accumulated amount of depreciation of investments in real estates 86,245 thousand yen</p> <p>*2. Bills matured on the last day of the consolidated interim period</p> <p>According to accounting policies for bills that mature on the last day of the consolidated fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the current consolidated interim period was a bank holiday.</p> <p>The amount of bills that matured on the last day of the current consolidated interim period is as follows.</p> <p>Notes and bills receivable 87,403 thousand yen</p> <p>Notes and bills payable 80,988 thousand yen</p>	<p>*1. Accumulated amount of depreciation of investments in real estates 92,876 thousand yen</p> <p>*2. Bills matured on the last day of the consolidated interim period</p> <p>According to accounting policies for bills that mature on the last day of the consolidated fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the current consolidated interim period was a bank holiday.</p> <p>The amount of bills that matured on the last day of the current consolidated interim period is as follows.</p> <p>Notes and bills receivable 94,822 thousand yen</p> <p>Notes and bills payable 101,746 thousand yen</p>	<p>*1. Accumulated amount of depreciation of investments in real estates 89,625 thousand yen</p> <p>*3. Bills matured on the last day of the consolidated fiscal year</p> <p>According to accounting policies for bills that mature on the last day of the consolidated fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the current consolidated fiscal year was a bank holiday.</p> <p>The amount of bills that matured on the last day of the current consolidated fiscal year is as follows.</p> <p>Notes and bills receivable 104,928 thousand yen</p> <p>Notes and bills payable 115,836 thousand yen</p>

(On the Consolidated Statements of Income)

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
<p>*1. Major items accounted in selling, general and administrative expenses are as follows:</p> <p>Salary, benefits and bonuses 251,076 thousand yen</p> <p>Packing and transportation expenses 553,199 thousand yen</p> <p>Depreciation costs 39,631 thousand yen</p> <p>Allowance for employee bonuses 51,560 thousand yen</p> <p>Allowance for employee retirement benefits 14,104 thousand yen</p> <p>*2. Gain on sales of fixed assets are as follows:</p> <p>Machines, devices and delivery equipment 758 thousand yen</p> <p>*3. Loss on disposal of fixed assets are as follows:</p> <p>Machines, devices and delivery equipment 664 thousand yen</p>	<p>*1. Major items accounted in selling, general and administrative expenses are as follows:</p> <p>Salary, benefits and bonuses 348,432 thousand yen</p> <p>Packing and transportation expenses 571,717 thousand yen</p> <p>Depreciation costs 43,674 thousand yen</p> <p>Allowance for employee bonuses 52,946 thousand yen</p> <p>Allowance for employee retirement benefits 8,229 thousand yen</p> <p>Allowance for directors' retirement benefits 8,665 thousand yen</p> <p>*2. Gain on sales of fixed assets are as follows:</p> <p>Machines, devices and delivery equipment 850 thousand yen</p> <p>*3. Loss on disposal of fixed assets are as follows:</p> <p>Buildings 19,557 thousand yen</p> <p>Machines, devices and delivery equipment 81 thousand yen</p>	<p>*1. Major items accounted in selling, general and administrative expenses are as follows:</p> <p>Salary, benefits and bonuses 671,380 thousand yen</p> <p>Packing and transportation expenses 1,098,464 thousand yen</p> <p>Depreciation costs 86,717 thousand yen</p> <p>Allowance for employee bonuses 49,338 thousand yen</p> <p>Provision of allowance for directors' bonuses 52,300 thousand yen</p> <p>Allowance for employee retirement benefits 24,931 thousand yen</p> <p>*2. Gain on sales of fixed assets are as follows:</p> <p>Machines and devices 781 thousand yen</p> <p>*3. Loss on disposal of fixed assets are as follows:</p> <p>Buildings 3,106 thousand yen</p> <p>Machines, devices and delivery equipment 34,439 thousand yen</p> <p>Others 3,620 thousand yen</p>

(On the Statements of Shareholders' Equity)

Interim closing for FY2007 (April 1, 2006 to September 30, 2006)

1. Items regarding the type and total number of outstanding shares as well as the type and number of shares of treasury stock

(In thousand stocks)

	Number of Shares (As of March 31, 2005)	Increased number of Shares (April 1, 2006 to September 30, 2006)	Decreased number of Shares (April 1, 2006 to September 30, 2006)	Number of Shares (As of March 31, 2006)
Issued Stock				
Common Stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury Stock				
Common Stock	29	0	0	30
Total	29	0	0	30

(Note) The increase and decrease in the number of shares of treasury stock for common shares consists of increases from the purchase of shares less than a full unit, and decreases from such purchases.

2. Items regarding dividends

(1) Amount of paid dividends

Resolution	Type of stock	Total amount of dividends (thousand yen)	Amount of dividends (yen) per share	Base date	Effective date
June 16, 2006 annual meeting of shareholders	Common stock	491,681	15.0	March 31, 2006	June 19, 2006

(2) The effective date of dividends is after the end of the interim term among dividends for which the base date belongs to the interim term

Resolution	Type of stock	Total amount of dividends (thousand yen)	Fiscal resources of dividends	Amount of dividends (yen) per share	Base date	Effective date
November 1, 2006 Board of Directors Meeting	Common stock	491,671	Interest surplus	15.0	September 30, 2006	December 8, 2006

Interim closing for FY2008 (April 1, 2007 to September 30, 2007)

1. Items regarding the type and total number of outstanding shares as well as the type and number of shares of treasury stock

(In thousand stocks)

	Number of Shares (As of March 31, 2006)	Increased number of Shares (April 1, 2007 to September 30, 2007)	Decreased number of Shares (April 1, 2007 to September 30, 2007)	Number of Shares (As of March 31, 2007)
Issued Stock				
Common Stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury Stock				
Common Stock	545	111	0	656
Total	545	111	0	656

(Note) The increase in treasury stocks in common stock for 111 thousand shares consists of 109 thousand shares through the board of directors' resolved acquisition of treasury stocks and 1 thousand shares through purchase of fractional stock. The decrease in the number of shares of treasury stock for common shares consists of decreases from such purchases.

2. Matters regarding new share warrant including new treasury stocks

Not applicable.

3. Items regarding dividends

(1) Amount of paid dividends

Resolution	Type of stock	Total amount of dividends (thousand yen)	Amount of dividends (yen) per share	Base date	Effective date
June 15, 2007 annual meeting of shareholders	Common stock	483,950	15.0	March 31, 2007	June 18, 2007

(2) The effective date of dividends is after the end of the interim term among dividends for which the base date belongs to the interim term

Resolution	Type of stock	Total amount of dividends (thousand yen)	Fiscal resources of dividends	Amount of dividends (yen) per share	Base date	Effective date
October 31, 2007 Board of Directors Meeting	Common stock	482,282	Interest surplus	15.0	September 30, 2007	December 10, 2007

FY2007 (April 1, 2006 to March 31, 2007)

1. Items regarding the type and total number of outstanding shares as well as the type and number of shares of treasury stock

(In thousand stocks)

	Previous number of Shares (As of March 31, 2006)	Increased number of Shares (April 1, 2006 to March 31, 2007)	Decreased number of Shares (April 1, 2006 to March 31, 2007)	Current number of Shares (As of March 31, 2007)
Outstanding Shares				
Common Stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury Stock				
Common Stock	29	515	0	545
Total	29	515	0	545

Note: The increase in treasury stocks in common stock for 515 thousand shares consists of 513 thousand shares through the board of directors' resolved acquisition of treasury stocks and 1 thousand shares through purchase of fractional stock. The decrease in the number of shares of treasury stock for common shares consists of decreases from such purchases.

2. Matters regarding new share warrant including new treasury stocks

Not applicable.

3. Items regarding dividends

(1) Amount of paid dividends

Resolution	Type of stock	Total amount of dividends (thousand yen)	Amount of dividends (yen) per share	Base date	Effective date
June 16, 2006 annual meeting of shareholders	Common stock	491,681	15.0	March 31, 2006	June 19, 2006
November 1, 2006 Board of Directors Meeting	Common stock	491,671	15.0	September 30, 2006	December 8, 2006

(2) Dividends for which the reference date falls in this fiscal year and effective date in the following year

Resolution	Type of stock	Total amount of dividends (thousand yen)	Fiscal resources of dividends	Amount of dividends (yen) per share	Base date	Effective date
June 15, 2007 annual meeting of shareholders	Common stock	483,950	Interest surplus	15.0	March 31, 2007	June 18, 2007

(On the Statements of Cash Flows)

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
Relation between the ending balance of cash and cash equivalents and the accounts on the Consolidated Balance Sheets (As of September 30, 2006)	Relation between the ending balance of cash and cash equivalents and the accounts on the Consolidated Balance Sheets (As of September 30, 2007)	Relation between the ending balance of cash and cash equivalents and the accounts on the Consolidated Balance Sheets (As of March 31, 2007)
Cash and time deposits <u>15,944,382 thousand yen</u>	Cash and time deposits <u>12,201,580 thousand yen</u>	Cash and time deposits <u>12,928,393 thousand yen</u>
Cash and cash equivalents <u>15,944,382 thousand yen</u>	Cash and cash equivalents <u>12,201,580 thousand yen</u>	Cash and cash equivalents <u>12,928,393 thousand yen</u>

(On the Lease transactions)

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)																																				
<p>1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee</p> <p>(1) Amount equal to purchase price of, amount equal to accumulated depreciation cost of, and amount equal to balance at end of term of leases</p>	<p>1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee</p> <p>(1) Amount equal to purchase price of, amount equal to accumulated depreciation cost of, and amount equal to balance at end of term of leases</p>	<p>1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee</p> <p>(1) Amount equal to purchase price of, amount equal to accumulated depreciation cost of, and amount equal to balance at end of term of leases</p>																																				
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<p>(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Lease charges paid</td> <td style="text-align: right;">8,063</td> </tr> <tr> <td>Amount equal to depreciation cost</td> <td style="text-align: right;">7,521</td> </tr> <tr> <td>Amount equal to interest expense</td> <td style="text-align: right;">757</td> </tr> </table>	Lease charges paid	8,063	Amount equal to depreciation cost	7,521	Amount equal to interest expense	757	<p>(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Lease charges paid</td> <td style="text-align: right;">8,172</td> </tr> <tr> <td>Amount equal to depreciation cost</td> <td style="text-align: right;">7,625</td> </tr> <tr> <td>Amount equal to interest expense</td> <td style="text-align: right;">688</td> </tr> </table>	Lease charges paid	8,172	Amount equal to depreciation cost	7,625	Amount equal to interest expense	688	<p>(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Lease charges paid</td> <td style="text-align: right;">16,352</td> </tr> <tr> <td>Amount equal to depreciation cost</td> <td style="text-align: right;">15,253</td> </tr> <tr> <td>Amount equal to interest expense</td> <td style="text-align: right;">1,491</td> </tr> </table>	Lease charges paid	16,352	Amount equal to depreciation cost	15,253	Amount equal to interest expense	1,491																		
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<p>(4) Calculation of the amount equal to depreciation cost</p> <p>The straight-line method is applied by assuming the lease period as the useful life, and setting the residual value to 0.</p>	<p>(4) Calculation of the amount equal to depreciation cost</p> <p>Same as left</p>	<p>(4) Calculation of the amount equal to depreciation cost</p> <p>Same as left</p>																																				
<p>(5) Calculation of the amount equal to interest expense</p> <p>The difference between the total of lease charges and the amount equal to the purchase price is regarded as the amount equal to interest expense, and the interest method is applied to allocation to each term.</p>	<p>(5) Calculation of the amount equal to interest expense</p> <p>Same as left</p>	<p>(5) Calculation of the amount equal to interest expense</p> <p>Same as left</p>																																				
<p>2. _____</p>	<p>2. Operating lease transaction</p> <p>Prepaid lease charges</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Within 1 year</td> <td style="text-align: right;">5,546</td> </tr> <tr> <td><u>More than 1 year</u></td> <td style="text-align: right;"><u>18,119</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">23,665</td> </tr> </table>	Within 1 year	5,546	<u>More than 1 year</u>	<u>18,119</u>	Total	23,665	<p>2. Operating lease transaction</p> <p>Prepaid lease charges</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Within 1 year</td> <td style="text-align: right;">5,312</td> </tr> <tr> <td><u>More than 1 year</u></td> <td style="text-align: right;"><u>20,009</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">25,321</td> </tr> </table>	Within 1 year	5,312	<u>More than 1 year</u>	<u>20,009</u>	Total	25,321																								
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Total	25,321																																					
<p>(Asset impairment losses)</p> <p>There are no asset impairment losses attributed to leased assets.</p>	<p>(Asset impairment losses)</p> <p>Same as left</p>	<p>(Asset impairment losses)</p> <p>Same as left</p>																																				

(On the Securities)

Previous Consolidated Interim Period (As of September 30, 2006)

1. Other securities with market price

(In thousand yen)

Category	Acquisition prices	Amount Recorded on Interim Consolidated Balance Sheets	Difference
(1) Stocks	1,709,764	2,152,612	442,847
(2) Bonds			
Government bond and local government bond	—	—	—
Corporate bond	—	—	—
Others	—	—	—
(3) Others	—	—	—
Total	1,709,764	2,152,612	442,847

2. Securities without any market price

(In thousand yen)

	Amount Recorded on Interim Consolidated Balance Sheet
(1) Other securities Unlisted stocks	15,000

Current Consolidated Interim Period (As of September 30, 2007)

1. Other securities with market price

(In thousand yen)

Category	Acquisition prices	Amount Recorded on Interim Consolidated Balance Sheets	Difference
(1) Stocks	1,730,374	1,815,217	84,843
(2) Bonds			
Government bond and local government bond	—	—	—
Corporate bond	—	—	—
Others	—	—	—
(3) Others	—	—	—
Total	1,730,374	1,815,217	84,843

2. Securities without any Market Price

(In thousand yen)

	Amount Recorded on Interim Consolidated Balance Sheet
(1) Other securities Unlisted stocks	1,182

FY2007 (As of March 31, 2007)

1. Other securities with market price

Category	Acquisition prices	Amount Recorded on Interim Consolidated Balance Sheets	Difference
(1) Stocks	1,699,832	2,061,892	362,060
(2) Bonds			
Government bond and local government bond	—	—	—
Corporate bond	—	—	—
Others	—	—	—
(3) Others	—	—	—
Total	1,699,832	2,061,892	362,060

2. Securities without any market price

(In thousand yen)

	Amount Recorded on Consolidated Balance Sheet
(1) Other securities	
Unlisted stocks	1,182

3. (Derivative Transactions)

At the end of the Previous Consolidated Interim Period (As of September 30, 2006)

Hedge accounting is applied to all derivative transactions, so reporting has been omitted.

At the end of the Current Consolidated Interim Period (As of September 30, 2007)

Hedge accounting is applied to all derivative transactions, so reporting has been omitted.

At the end of FY2007 (As of March 31, 2007)

Hedge accounting is applied to all derivative transactions, so reporting has been omitted.

(Information by segment)

a. Information by business segment

Previous Consolidated Interim Period (April 1, 2006 to September 31, 2006), Current Consolidated Interim Period (April 1, 2007 to September 30, 2007), and FY2007 (April 1, 2006 to March 31, 2007)

Business segment information has been omitted because net sales and operating income and assets from the manufacturing and sales of natural seasonings account for more than 90% of total net sales and operating income for the assets of all segments.

b. Information by geographic segment

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)

(In thousand yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
I Net sales					
(1) Sales to external customers	9,839,248	984,372	10,823,620	—	10,823,620
(2) Internal sales or transfers between segments	20,920	633,077	653,997	(653,997)	—
Total	9,860,168	1,617,449	11,477,617	(653,997)	10,823,620
Operating expenses	7,324,749	1,387,415	8,712,165	(657,833)	8,054,332
Operating income	2,535,418	230,033	2,765,452	3,836	2,769,288

Notes: 1. Nations or regions are distinguished based on the similarity of economic activities.

2. Main nations and regions other than Japan Other areas: U.S., People's Republic of China, Taiwan, France and Belgium.

Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)

(In thousand yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
I Net sales					
(1) Sales to external customers	9,890,917	1,284,303	11,175,220	—	11,175,220
(2) Internal sales or transfers between segments	27,433	674,468	701,901	(701,901)	—
Total	9,918,350	1,958,771	11,877,121	(701,901)	11,175,220
Operating expenses	8,059,457	1,829,148	9,888,606	(682,864)	9,205,742
Operating income	1,858,892	129,622	1,988,515	(19,036)	1,969,478

Notes: 1. Nations or regions are distinguished based on the similarity of economic activities.

2. Main nations and regions other than Japan Other areas: U.S., People's Republic of China, Taiwan, France and Belgium.

FY2007 (April 1, 2006 to March 31, 2007)

(In thousand yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
Net sales					
(1) Sales to external customers	20,180,317	2,268,763	22,449,081	—	22,449,081
(2) Internal sales or transfers between segments	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. Nations or regions are distinguished based on the similarity of economic activities.

2. Main nations and regions other than Japan. Other areas: U.S., People's Republic of China, Taiwan, France and Belgium.

c. Overseas sales

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)

Since the ratio of overseas sales is less than 10% of consolidated sales, description is omitted.

Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)

	North America	Asia	Total
I Overseas sales (million yen)	681,273	711,186	1,392,460
II Consolidated sales (million yen)	—	—	11,175,220
III Overseas sales /Total Consolidated net sales (%)	6.1	6.4	12.5

Notes:

1. The countries and regions are categorized based on geographical proximity.
2. The followings are the breakdown of the regions in the categories.
 - (1) North America -----The U.S.
 - (2) Asia -----People's Republic of China (including Hong Kong), Taiwan, and South Korea

Previous Consolidated Fiscal Year (April 1, 2006 to March 31, 2007)

	North America	Asia	Total
□ Overseas sales (million yen)	1,182,278	1,233,495	2,415,773
□ Consolidated sales (million yen)	—	—	22,449,081
□ Overseas sales /Total Consolidated net sales(%)	5.3	5.5	10.8

Notes:

1. The countries and regions are categorized based on geographical proximity.
2. The followings are the breakdown of the regions in the categories.
 - (1) North America -----The U.S.
 - (2) Asia -----People's Republic of China (including Hong Kong), Taiwan, and South Korea

(Per share data)

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
Net assets per share 1,314.34 yen	Net assets per share 1354.65 yen	Net assets per share 1,339.05 yen
Net income per share 50.38 yen	Net income per share 31.21 yen	Net income per share 95.50 yen
Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.	Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.	Due to absence of residual shares with dilution effects, here is not indicated the net income after residual share adjustment.
(Additional information) In conjunction with “Guidelines for the application of accounting principles regarding current profit per share” (4th Guideline for the application of corporate accounting standards) amended as of January 31, 2006, the amount of deferred hedge profit and loss (after adjustment for tax effect) from the current consolidated interim term is included in the amount of net assets for the end of the interim term associated with common stock. The amount of net assets per share at the end of the current consolidated fiscal accounting period calculated according to methods adopted at the end of the current consolidated interim term is 1,307.82 yen.		(Additional information) In conjunction with “Guidelines for the application of accounting principles regarding current profit per share” (4th Guideline for the application of corporate accounting standards) amended as of January 31, 2006, the amount of deferred hedge profit and loss (after adjustment for tax effect) from the current consolidated fiscal year is included in the amount of net assets for the end of the fiscal year associated with common stock. The amount of net assets per share at the end of the current consolidated fiscal accounting period calculated according to methods adopted at the end of the previous consolidated fiscal year was 1,330.36 yen.

Note: The amounts of interim (and full-year) net income per share are based on the following data

(in thousand yen)

	Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
Interim (full-year) net income	1,651,394	1,003,661	3,110,718
Amount not attributable to common shareholders	—	—	—
(Bonuses to directors and auditors through surplus appropriation, included)	(—)	(—)	(—)
Interim (full-year) net income available to common shares	1,651,394	1,003,661	3,110,718
Average number of shares outstanding during the term (in thousand shares)	32,778	32,161	32,572

(Important Subsequent Events)

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
<p>(Decision on items regarding the acquisition of treasury stock) In the Company's Board of Directors meeting convened on October 13, 2006, we decided to purchase some treasury stock based on the provisions of Article 156 of Corporate Law, which applies to a change in reading from Article 165, Paragraph 3 of the same law. The outline thereof is as follows.</p> <p>1. Reason for acquiring treasury stock Acquire treasury stock to make it possible to implement mobile capital in response to changes in the corporate climate and to pass on more profits to shareholders.</p> <p>2. Details of acquisition (1) Type of stock acquired Common stock (2) Total number of shares acquired 2,000,000 shares (cap) (6.1% of the total number of issued shares) (3) Total amount of acquisition cost for stock 6 billion yen (cap) (4) Timing of acquisition From October 16, 2006 to April 27, 2007</p> <p>3. Description of Acquisition of Treasury Stock (as of November 30, 2006) Total number of acquired shares 513,400 shares Total acquisition costs 1,174,917 thousand yen</p>	<p style="text-align: center;">—</p>	<p>(Decision on items regarding the acquisition of treasury stock) The Company passed a resolution regarding the acquisition of treasury stock and the detailed methodology of acquisition at the board of directors on May 16, 2007, based on the provision of Article 156 of the Corporation Law, and applied in accordance with the provision of Paragraph 3, Article 165 of the law, and acquired treasury stock as follows.</p> <p>1. Reason for acquiring treasury stock Acquire treasury stock to make it possible to implement mobile capital in response to changes in the corporate climate and to pass on more profits to shareholders.</p> <p>2. Details of acquisition (1) Type of stock acquired Common stock (2) Total number of shares acquired 2,000,000 shares (cap) (3) Timing of acquisition From May 17, 2007 to April 30, 2008 (4) Total amount of acquisition cost for stock 6 billion yen (cap)</p> <p>3. Description of Acquisition of Treasury Stock (as of May 31, 2007) Total number of acquired shares 50,200 shares Total acquisition costs 103,050 thousand yen</p>

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
—	—	<p>(Issuance of New Share Warrants)</p> <p>The Company resolved to issue new share warrants as stock options representing stock compensation, and to authorize the board of directors to decide upon details of the offering based on the provisions of Article 236, Article 238 and Article 239 of the Corporation Law, at the 29th annual meeting of shareholders held on June 15, 2007 as follows:</p> <p>Therefore, actual issuance of such new share warrants shall be subject to a resolution for new share warrant issuance of the subsequent board of directors of the Company and such resolution of the board of directors of the Company has not been passed as of the submission date of this securities report.</p> <p>In addition, such new share warrants shall be expensed over target service periods as “Stock compensation expenses” based on “Accounting Standards concerning Stock Options” (Corporate Accounting Standards No. 8) and “Accounting Standards Guideline concerning Stock Options” (Corporate Accounting Standards Guideline No. 11).</p> <ol style="list-style-type: none"> 1. Allottee of New Share Warrants Employees of the Company 2. Type and Number of Shares New Share Warrants are for Up to 100,000 shares of common stocks of the Company 3. Total Number of New Share Warrant Issued Up to 1,000 rights 4. Issuance Price of New Share Warrant No consideration 5. Price of Assets Contributed upon Execution of New Share Warrant 1 yen per share 6. Period for which New Share Warrant can be Executed April 1, 2013 to March 31, 2016 7. Exercise Conditions for New Share Warrant <ul style="list-style-type: none"> (1) An allottee of a New Share Warrant (hereinafter referred to as “the new share warrant holder”) shall be required to be an employee of the Company at the time of exercising the right. However, this shall not apply when the board of directors determines that there is due cause. (2) Transfer, pawn or other disposition and inheritance of new share warrants shall not be permitted. (3) Other conditions are subject to the provisions of the new share warrant allotment contract to be concluded by and between the Company and the new share warrant holder based on this annual meeting of shareholders and the subsequent resolutions of the board of directors.

Previous Consolidated Interim Period (April 1, 2006 to September 30, 2006)	Current Consolidated Interim Period (April 1, 2007 to September 30, 2007)	FY2007 (April 1, 2006 to March 31, 2007)
—	—	<p>8. Causes and Conditions of Acquisition</p> <p>(1) When a proposal for permission for a merger agreement in which the Company shall become a defunct company is resolved at a meeting of shareholders, or when the proposal for permission for a share exchange agreement or an equity transfer agreement in which the Company shall be a wholly owned subsidiary is resolved at the meeting of shareholders, the Company can acquire all of the said new share warrants owned by the new share warrant holders, without consideration.</p> <p>(2) When the new share warrant holder cannot exercise the new share warrant due to a failure to satisfy conditions provided in Exercise Conditions for New Share Warrants before exercising the new share warrant or when the new share warrant holder renounces all or part of the new share warrants, the Company can acquire such new share warrants without consideration.</p> <p>(3) The Company can retire the new share warrants that the Company acquired and owns, without consideration at any time.</p> <p>9. Restriction on Transfer of New Share Warrants</p> <p>New share warrants shall not be transferred.</p> <p>10. Matters regarding Increased Capital Stock and Capital Surplus in the Case of Issuance of Shares by the Exercise of New Share Warrants</p> <p>(1) Amount of Capital Stock</p> <p>Half of the increased capital limitation amount calculated pursuant to Paragraph 1, Article 40 of the Corporate Calculation Regulations (rounded up to 1 yen).</p> <p>(2) Amount of Capital Surplus</p> <p>Increased capital amount mentioned in (1), less (1)</p>

5. Non-consolidated Financial Statement

(1) Non-consolidated Balance Sheets

(In thousand yen)

Account	Annotation	At the end of the Previous Interim Period (As of September 30, 2006)		At the end of the Current Interim Period (As of September 30, 2007)		Difference	FY 2007 (As of March 31, 2007)		
		Amount	Ratio (%)	Amount	Ratio (%)		Amount	Ratio (%)	
(Assets)									
I. Current assets									
1. Cash and time deposits		15,157,583		11,661,455		(3,496,128)	12,432,356		
2. Notes receivable-trade	*5	613,903		658,774		44,871	598,200		
3. Accounts receivable-trade		4,438,783		4,142,913		(295,869)	3,980,838		
4. Inventories		2,834,665		2,807,325		(27,340)	2,733,709		
5. Other current assets		555,233		811,560		256,326	806,987		
6. Allowance for doubtful accounts		(3,322)		(8,856)		(5,534)	(8,757)		
Total current assets		23,596,847	49.2	20,073,173	43.1	(3,523,674)	20,543,335	43.1	
II. Fixed assets									
1. Tangible fixed assets									
(1) Buildings	*1	4,122,703		7,818,273		3,695,570	3,997,339		
(2) Machines and devices		2,013,715		5,245,696		3,231,981	1,788,379		
(3) Land		3,914,970		3,914,970		—	3,914,970		
(4) Construction in progress		4,759,546		29,737		(4,729,808)	7,879,401		
(5) Other tangible fixed assets		266,892		460,367		193,475	252,796		
Total tangible fixed assets		15,077,827		17,469,046		2,391,218	17,832,887		
2. Intangible fixed assets									
3. Investments and other assets		23,803		22,246		(1,556)	22,245		
(1) Investments in securities									
(1) Investments in securities		2,167,612		1,816,399		(351,212)	2,063,074		
(2) Stocks of affiliated companies									
(2) Stocks of affiliated companies		5,094,185		5,094,185		—	5,094,185		
(3) Long-term loans to affiliated companies									
(3) Long-term loans to affiliated companies		76,635		78,029		1,394	79,732		
(4) Investments in real estates									
(4) Investments in real estates	*2	573,537		566,906		(6,630)	570,156		
(5) Others									
(5) Others		1,340,293		1,479,630		139,336	1,425,118		
(6) Allowance for doubtful accounts									
(6) Allowance for doubtful accounts		(8,413)		(237)		8,176	(254)		
Total investments and other assets		9,243,850		9,034,914		(208,936)	9,232,013		
Total fixed assets		24,345,481	50.8	26,526,207	56.9	2,180,725	27,087,147	56.9	
Total assets		47,942,329	100.0	46,599,380	100.0	(1,342,948)	47,630,482	100.0	

Account	Annotation	At the end of the Previous Interim Period (As of September 30, 2006)		At the end of the Current Interim Period (As of September 30, 2007)		Difference	FY 2007 (As of March 31, 2007)		
		Amount	Ratio (%)	Amount	Ratio (%)		Amount	Ratio (%)	
(Liabilities)									
I. Current liabilities									
1. Notes payable	*5	704,691		709,772		5,080	674,051		
2. Accounts payable-trade		886,906		823,381		(63,524)	748,094		
3. Accounts payable-non-trade		894,375		452,455		(441,919)	1,080,015		
4. Income taxes payable		1,086,139		809,577		(276,562)	897,032		
5. Allowance for employee bonuses		149,454		137,468		(11,985)	160,278		
6. Other current liabilities	*4	846,446		316,820		(529,625)	970,973		
Total current liabilities		4,568,013	9.5	3,249,476	7.0	(1,318,537)	4,530,446	9.5	
II. Long-term liabilities									
1. Allowance for employee retirement benefits		596,043		595,067		(975)	605,346		
2. Allowance for directors' retirement benefits		—		257,239		257,239	—		
3. Other long-term liabilities		97,612		60		(97,552)	98,391		
Total long-term liabilities		693,655	1.5	852,366	1.8	158,711	703,737	1.5	
Total liabilities		5,261,669	11.0	4,101,843	8.8	(1,159,825)	5,234,183	11.0	
(Net Assets)									
I. Shareholders' equity									
1. Common stock		7,095,096	14.8	7,095,096	15.2	—	7,095,096	14.9	
2. Capital surplus									
Capital reserve		7,833,869		7,833,869			7,833,869		
Total capital surplus		7,833,869	16.3	7,833,869	16.8	—	7,833,869	16.5	
3. Retained earnings									
(1) Legal reserve of retained earnings		441,000		441,000			441,000		
(2) Other retained earnings									
Reserve for special depreciation		82,348		109,187			71,496		
Special reserve fund		7,820,000		7,820,000			7,820,000		
Earned surplus carried forward		19,039,141		20,457,291			19,920,829		
Total retained earnings		27,382,489	57.1	28,827,479	61.9	1,444,989	28,253,326	59.3	
4. Treasury stocks		(110,950)	(0.2)	(1,536,793)	(3.3)	(1,425,842)	(1,284,247)	(2.7)	
Total shareholders' equity		42,200,504	88.0	42,219,650	90.6	19,146	41,898,043	88.0	
II. Unrealized gains and adjustments									
1. Unrealized gains on other securities		266,594	0.6	51,075	0.1	(215,518)	217,960	0.4	
2. Deferred gains on hedges		213,562	0.4	226,811	0.5	13,249	280,295	0.6	
Total unrealized gains and adjustments		480,156	1.0	277,886	0.6	(202,269)	498,255	1.0	
Total net assets		42,680,660	89.0	42,497,537	91.2	(183,122)	42,396,298	89.0	
Total liabilities and net assets		47,942,329	100.0	46,599,380	100.0	(1,342,948)	47,630,482	100.0	

(2) Interim Non-consolidated Statements of Income

(In thousand yen)

Account	Annotation	Previous Interim Period (April 1, 2006 to September 30, 2006)		Current Interim Period (April 1, 2007 to September 30, 2007)		Difference	FY 2007 (April 1, 2006 to March 31 2007)				
		Amount	Ratio (%)	Amount	Ratio (%)		Amount	Ratio (%)			
I. Net sales		9,702,891	100.0	9,643,836	100.0	(59,055)	19,752,270	100.0			
II. Cost of sales		5,653,582	58.3	6,233,035	64.6	579,452	11,547,858	58.5			
Gross profit		4,049,309	41.7	3,410,800	35.4	(638,508)	8,204,411	41.5			
III. Selling, general and administrative expenses		1,519,624	15.6	1,621,826	16.8	102,201	3,192,214	16.1			
Operating income		2,529,684	26.1	1,788,974	18.6	(740,709)	5,012,197	25.4			
IV. Non-operating income	*1	89,992	0.9	98,535	1.0	8,543	157,361	0.8			
V. Non-operating expenses	*2	54,702	0.6	74,793	0.8	20,091	223,797	1.2			
Ordinary income		2,564,974	26.4	1,812,716	18.8	(752,257)	4,945,761	25.0			
VI. Extraordinary income	*3	—	—	200,000	2.1	200,000	28,639	0.1			
VII. Extraordinary losses	*4	11,963	0.1	272,140	2.8	260,177	68,849	0.3			
Income before income tax		2,553,010	26.3	1,740,575	18.1	(812,435)	4,905,551	24.8			
Income, inhabitant and business taxes		1,050,000		751,000			2,014,000				
Adjustments for income and other taxes		(7,007)	1,042,992	10.7	(68,530)	682,469	7.1	(360,523)	19,006	2,033,006	10.3
Net income		1,510,018	15.6	1,058,106	11.0	(451,912)	2,872,544	14.5			

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

Interim closing for FY2007 (April 1, 2006 to September 30, 2006)

(In thousand yen)

	Shareholders' equity									
	Common stock	Capital surplus		Legal reserve of retained earnings	Retained earnings			Total retained earnings	Treasury stocks	Total shareholder's equity
		Capital reserve	Total capital surplus		Other retained earnings					
					Reserve for special depreciation	Special reserve fund	Earned surplus carried forward			
Balance as of March 31, 2006	7,095,096	7,833,869	7,833,869	441,000	87,578	7,820,000	18,066,857	26,415,436	(109,089)	41,235,312
Amount of fluctuation during the interim period										
Allowance of reserve for special amortization (Note 1)					32,366		(32,366)	—		—
Withdrawal of reserve for special amortization (Note 2)					(37,597)		37,597	—		—
Dividend from retained earnings (Note 3)							(491,681)	(491,681)		(491,681)
Bonuses for directors (Note 3)							(51,100)	(51,100)		(51,100)
Net income							1,510,018	1,510,018		1,510,018
Acquisition of treasury stocks									(2,476)	(2,476)
Disposal of treasury stock							(183)	(183)	614	430
Amount of fluctuation of items other than shareholders' equity during the interim period (net)										
Total amount of fluctuation during the interim period	—	—	—	—	(5,230)	—	972,283	967,053	(1,861)	965,191
Balance as of September 30, 2006	7,095,096	7,833,869	7,833,869	441,000	82,348	7,820,000	19,039,141	27,382,489	(110,950)	42,200,504

	Unrealized gains and adjustments			Total net assets
	Unrealized gains on other securities	Deferred gains on hedges	Total unrealized gains and adjustments	
Balance as of March 31, 2006	450,873	—	450,873	41,686,186
Amount of fluctuation during the interim period				
Allowance of reserve for special amortization (Note 1)				—
Withdrawal of reserve for special amortization (Note 2)				—
Dividend from retained earnings (Note 3)				(491,681)
Bonuses for directors (Note 3)				(51,100)
Net income				1,510,018
Acquisition of treasury stocks				(2,476)
Disposal of treasury stock				430
Amount of fluctuation of items other than shareholders' equity during the interim period (net)	(184,279)	213,562	29,282	29,282
Total amount of fluctuation during the interim period	(184,279)	213,562	29,282	994,474
Balance as of September 30, 2006	266,594	213,562	480,156	42,680,660

Notes:

- Allowance as appropriation of surplus at the regular general meeting of shareholders in June, 2006: 28,907 thousand yen.
Allowance as settlement at the end of the interim period: 3,459 thousand yen.
- Withdrawal as appropriation of surplus at the regular general meeting of shareholders in June, 2006: 26,745 thousand yen.
Withdrawal as settlement at the end of the interim period: 10,851 thousand yen.
- The items as appropriation of surplus at the regular general meeting of shareholders in June, 2006.

Interim closing for FY2008 (April 1, 2007 to September 30, 2007)

(In thousand yen)

	Shareholders' equity									
	Common stock	Capital surplus		Legal reserve of retained earnings	Retained earnings			Total retained earnings	Treasury stocks	Total shareholder's equity
		Capital reserve	Total capital surplus		Other retained earnings					
					Reserve for special depreciation	Special reserve fund	Earned surplus carried forward			
Balance as of March 31, 2007	7,095,096	7,833,869	7,833,869	441,000	71,496	7,820,000	19,920,829	28,253,326	(1,284,247)	41,898,043
Amount of fluctuation during the interim period										
Allowance of reserve for special amortization					47,907		(47,907)	—		—
Withdrawal of reserve for special amortization					(10,216)		10,216	—		—
Dividend from retained earnings							(483,950)	(483,950)		(483,950)
Net income							1,058,106	1,058,106		1,058,106
Acquisition of treasury stocks									(252,871)	(252,871)
Disposal of treasury stock							(3)	(3)	325	321
Amount of fluctuation of items other than shareholders' equity during the interim period (net)										
Total amount of fluctuation during the interim period	—	—	—	—	37,691	—	536,461	574,153	(252,545)	321,607
Balance as of September 30, 2007	7,095,096	7,833,869	7,833,869	441,000	109,187	7,820,000	20,457,291	28,827,479	(1,536,793)	42,219,650

	Unrealized gains and adjustments			Total net assets
	Unrealized gains on other securities	Deferred gains on hedges	Total unrealized gains and adjustments	
Balance as of March 31, 2007	217,960	280,295	498,255	42,396,298
Amount of fluctuation during the interim period				
Allowance of reserve for special amortization				—
Withdrawal of reserve for special amortization				—
Dividend from retained earnings				(483,950)
Net income				1,058,106
Acquisition of treasury stocks				(252,871)
Disposal of treasury stock				321
Amount of fluctuation of items other than shareholders' equity during the interim period (net)	(166,884)	(53,483)	(220,368)	(220,368)
Total amount of fluctuation during the interim period	(166,884)	(53,483)	(220,368)	101,238
Balance as of September 30, 2007	51,075	226,811	277,886	42,497,537

FY 2007 (From April 1, 2006 to March 31, 2007)

(In thousand yen)

	Shareholders' equity									
	Common stock	Capital surplus		Legal reserve of retained earnings	Retained earnings			Total retained earnings	Treasury stocks	Total shareholder's equity
		Capital reserve	Total capital surplus		Other retained earnings					
					Reserve for special depreciation	Special reserve fund	Earned surplus carried forward			
Balance as of March 31, 2006	7,095,096	7,833,869	7,833,869	441,000	87,578	7,820,000	18,066,857	26,415,436	(109,089)	41,235,312
Amount of fluctuation during the fiscal year										
Allowance of reserve for special amortization (Note 3)					32,366		(32,366)	—		—
Withdrawal of reserve for special amortization (Note 4)					(48,448)		48,448	—		—
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							2,872,544	2,872,544		2,872,544
Acquisition of treasury stocks									(1,176,174)	(1,176,174)
Disposal of treasury stock							(202)	(202)	1,015	813
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)										
Total amount of fluctuation during the fiscal year	—	—	—	—	(16,081)	—	1,853,971	1,837,889	(1,175,158)	662,730
Balance as of March 31, 2007	7,095,096	7,833,869	7,833,869	441,000	71,496	7,820,000	19,920,829	28,253,326	(1,284,247)	41,898,043

	Unrealized gains and adjustments			Total net assets
	Unrealized gains on other securities	Deferred gains on hedges	Total unrealized gains and adjustments	
Balance as of March 31, 2006	450,873		450,873	41,686,186
Amount of fluctuation during the fiscal year				
Allowance of reserve for special amortization (Note 3)				—
Withdrawal of reserve for special amortization (Note 4)				—
Dividend from retained earnings (Note 1)				(983,352)
Bonuses for directors (Note 2)				(51,100)
Net income				2,872,544
Acquisition of treasury stocks				(1,176,174)
Disposal of treasury stock				813
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(232,913)	280,295	47,381	47,381
Total amount of fluctuation during the fiscal year	(232,913)	280,295	47,381	710,112
Balance as of March 31, 2007	217,960	280,295	498,255	42,396,298

Notes:

- Dividend from retained earnings at the regular general meeting of shareholders in June, 2006: 491,681 thousand yen.
Interim dividends paid: 491,671 thousand yen.
- The items as appropriation of surplus at the regular general meeting of shareholders in June, 2006.
- Allowance as appropriation of surplus at the regular general meeting of shareholders in June, 2006: 28,907 thousand yen.
Allowance as settlement at the end of the interim period: 3,459 thousand yen.
- Withdrawal as appropriation of surplus at the regular general meeting of shareholders in June, 2006: 26,745 thousand yen.
Withdrawal as settlement at the end of the interim period: 21,703 thousand yen.

Basic conditions to prepare Interim Financial Statements

Term	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
1. Standard and method of valuating important assets	<p>(1) Securities</p> <p>Stocks of subsidiaries and affiliated companies</p> <p>Cost method under the moving average method</p> <p>Other Securities</p> <p>Securities with any market price</p> <p>Mark-to-market method based on the market price as of the day of settlement of accounts (all the evaluation differences are incorporated directly into the net assets and costs for sale are computed with the moving average method)</p> <p>Securities without any market price</p> <p>Cost method under the moving average method</p> <p>(2) Derivatives</p> <p>Mark-to-market method</p> <p>(3) Inventory</p> <p>Merchandise</p> <p>Identified cost method</p> <p>Products</p> <p>Identified cost method</p> <p>Materials</p> <p>Cost method under the moving average method</p> <p>Work in progress</p> <p>Identified cost method</p> <p>Supplies</p> <p>Last cost method</p>	<p>(1) Securities</p> <p>Stocks of subsidiaries and affiliated companies</p> <p>Same as left</p> <p>Other Securities</p> <p>Securities with any market price</p> <p>Same as left</p> <p>Securities without any market price</p> <p>Same as left</p> <p>(2) Derivatives</p> <p>Same as left</p> <p>(3) Inventory</p> <p>Same as left</p>	<p>(1) Securities</p> <p>Stocks of subsidiaries and affiliated companies</p> <p>Same as left</p> <p>Other Securities</p> <p>Securities with any market price</p> <p>Same as left</p> <p>Securities without any market price</p> <p>Same as left</p> <p>(2) Derivatives</p> <p>Same as left</p> <p>(3) Inventory</p> <p>Same as left</p>

Term	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
2. Depreciation of fixed assets	<p>(1) Tangible fixed assets Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over three years. Useful lives of major assets are as follows: Buildings:15 - 50 years Machines and devices:9 years</p> <p>(2) Intangible fixed assets As for software for own use, straight-line method for internally available period (5 years) is applied</p> <p>(3) Long-term prepaid expenses Straight-line method</p> <p>(4) Investments in real estate Declining balance method</p>	<p>(1) Tangible fixed assets Same as left</p> <p>(Additional information) Regarding assets acquired on or before March 31, 2007, the Company, in accordance with the amendment of the Corporate Tax Law, uniformly amortize the difference between 5% of the acquisition cost and memorandum value over five years from the next consolidated fiscal year of a consolidated fiscal year in which such assets are depreciated to 5% of their acquisition cost by application of the depreciation method based on the Corporate Tax Law before amendments and such expenses are recorded as depreciation expenses. As a result of this, operating income, ordinary income and interim net income before adjustments for taxes decreased by 23,135 thousand yen respectively.</p> <p>(2) Intangible fixed assets Same as left</p> <p>(3) Long-term prepaid expenses Same as left</p> <p>(4) Investments in real estate Same as left</p>	<p>(1) Tangible fixed assets Same as left</p> <p>(2) Intangible fixed assets Same as left</p> <p>(3) Long-term prepaid expenses Same as left</p> <p>(4) Investments in real estates Same as left</p>

Term	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
3. Standards for additions to allowances	<p>(1) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio is reserved for ordinary receivables, and the amount of possible losses is included in the reserve based on consideration of the collectibility of individual doubtful accounts.</p> <p>(2) Allowance for employee bonus The Company reserves the estimated amount of the bonus to prepare for payment to employees.</p> <p>(3)</p> <p style="text-align: center;">—</p> <p>(4) Allowance for employee retirement benefits To prepare for payment of benefits to retired employees, the amount of actual payment is reserved based on estimation of retirement benefit liabilities and pension assets regarded as existing at the end of the consolidated fiscal year. For the difference in actuarial calculation, the five-year proportionally-divided amount with the straight-line method based on a fixed number of years (five years) within the average remaining service periods of employees at occurrence in each fiscal year shall be reported as expense from the following fiscal year. Expenses of past service liability are calculated by the straight-line method according to a designated number of years (five years) of average residual length of service by an employee at the time such expenses arise.</p> <p>(5)</p> <p style="text-align: center;">—</p>	<p>(1) Allowance for doubtful accounts Same as left</p> <p>(2) Allowance for employee bonus Same as left</p> <p>(3)</p> <p style="text-align: center;">—</p> <p>(4) Allowance for employee retirement benefits Same as left</p> <p>(5) Allowance for directors' retirement benefits To prepare for payment of directors' retirement benefits, the company has reserved and recorded the required amounts as of the end of the interim period based on the internal regulations regarding directors' retirement benefits.</p>	<p>(1) Allowance for doubtful accounts Same as left</p> <p>(2) Allowance for employee bonus Same as left</p> <p>(3) Allowance for directors' bonuses The company has reserved and recorded as this fiscal year's company's contribution a part of the estimated amount of directors' bonus to prepare for payment to directors.</p> <p>(4) Allowance for employee retirement benefits Same as left</p> <p>(5)</p> <p style="text-align: center;">—</p>
4. Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen	Receivables and payables denominated in foreign currencies were converted to Japanese yen using the closing spot exchange rate for the final day of the interim period, and differences were recorded as gains or losses.	Same as left	Receivables and payables denominated in foreign currencies were converted to Japanese yen using the closing spot exchange rate for the final day of the fiscal year, and differences were recorded as gains or losses.
5. Accounting of lease transactions	Finance lease transactions are accounted by the method similar to operating lease transactions, excluding financial lease transactions where ownership of the leased property may be transferred to the lessee.	Same as left	Same as left

Term	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
6. Hedge accounting methods	<p>(1) Hedge accounting methods Deferred hedge accounting is used. Allocation accounting is applied to foreign-currency-denominated liabilities with exchange contracts.</p> <p>(2) Measures of hedging and targets of hedging Measures of hedging Currency swaps Targets of hedging Purchase liabilities following imports of materials from overseas subsidiaries with possible losses due to currency fluctuations</p> <p>(3) Policies on hedging Based on the basic policies approved by the Management Committee of the Company, the Management Administration Department is in charge of controlling and executing trading, and regularly reporting to the Management Committee. Counter-parties of trading are limited to high-quality financial institutions.</p> <p>(4) Methods to assess effectiveness of hedging The accumulated total of price fluctuations or cash-flow fluctuations of the targets of hedging is compared with the accumulated total of price fluctuations or cash-flow fluctuations of the measures of hedging, and the effectiveness is assessed according to these fluctuations</p>	<p>(1) Hedge accounting methods Same as left</p> <p>(2) Measures of hedging and targets of hedging Measures of hedging Same as left Targets of hedging Same as left</p> <p>(3) Policies on hedging Same as left</p> <p>(4) Methods to assess effectiveness of hedging Same as left</p>	<p>(1) Hedge accounting methods Same as left</p> <p>(2) Measures of hedging and targets of hedging Measures of hedging Same as left Targets of hedging Same as left</p> <p>(3) Policies on hedging Same as left</p> <p>(4) Methods to assess effectiveness of hedging Same as left</p>
7. Other important matters to prepare Financial Statements	Accounting of the consumption tax The Company applies the tax-exclusion accounting method.	Accounting of the consumption tax Same as left	Accounting of the consumption tax Same as left

Change in Basic conditions to prepare Non-consolidated Financial Statements

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
<p>Beginning in this interim period, the Company adopted “Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards No.5, December 9, 2005) and “Application Guidelines for Accounting Standards for Presentation of Net Assets in the Balance Sheet” (Application Guidelines for Business Accounting Standards No.8, December 9, 2005). To date, the total amount in equity section is 42,467,098 thousand yen.</p> <p>Note that the section of the net asset in the non-consolidated balance sheet for this interim period has been prepared in accordance with the amended rule on non-consolidated financial statements.</p>	—	<p>Beginning in this fiscal year, the Company adopted “Accounting Standards related to Presentation of Net Assets in the Balance Sheet” (Business Accounting Standards No.5, December 9, 2005) and “Application Guidelines for Accounting Standards for Presentation of Net Assets in the Balance Sheet” (Application Guidelines for Business Accounting Standards No.8, December 9, 2005). To date, the total amount in equity section is 42,116,003 thousand yen.</p> <p>Note that the section of the net asset in the non-consolidated balance sheet for this fiscal year has been prepared in accordance with the amended rule on non-consolidated financial statements.</p>
—	—	<p>Beginning in this fiscal year, the Company adopted “Accounting Standard for Directors’ Bonus” (Business Accounting Standards No.4, November 29, 2005).</p> <p>Therefore, operating income, ordinary income, and net income before taxes have decreased by 52,300 thousand yen each.</p>
—	<p>Although directors’ retirement benefits were previously expensed upon payment, we decided to reserve and record the required amount of payments as of the end of the interim consolidated fiscal period, based on the internal regulations, as allowance for directors’ retirement benefits from the current interim consolidated fiscal period, following upon the fact that directors’ bonuses began to be expensed as a result of the announcement of “Auditing Treatment concerning Reserves under the Special Taxation Measures Law, Allowance or Reserves under the Special Law and Allowance for Directors’ Retirement Benefits” (Audit and Assurance Practice Committee Report No.42) and the application of “Accounting Standard concerning Director’s Bonuses” (Corporate Accounting Standards No. 4, November 29, 2005).</p> <p>As a result of this change, operating income and ordinary income decreased by 8,665 thousand yen and interim net income before adjustments for taxes decreased by 257,239 thousand yen.</p>	—

Change in Notation Method

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)
(Interim balance sheets) The "Construction in process account" had been included in "Other" tangible fixed assets until the previous interim, but it is now noted in a separate classification because it exceeded 5% of total assets by the end of this interim period. In addition, the amount of the "Construction in process account" was 350,852 thousand yen at the end of the previous interim.	—

Notes

(On the Balance Sheet)

Account	At the end of the Previous Interim Period (As of September 30, 2006)	At the end of the Current Interim Period (As of September 30, 2007)	FY 2007 (As of March 31, 2007)									
*1. Accumulated amount of depreciation of tangible fixed assets	14,216,001 thousand yen	14,896,385 thousand yen	14,011,264 thousand yen									
*2. Accumulated amount of depreciation of investments in real estates	86,245 thousand yen	92,876 thousand yen	89,625 thousand yen									
*3. Contingent Liabilities	—	(1) Guarantees for liabilities For the following group company, we guaranteed a loan from a financial institution.	—									
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Guaranteed company</th> <th style="text-align: center;">Amount (thousand EUR)</th> <th style="text-align: center;">Type</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">F.P.N.I. BELGIUM N.V.</td> <td style="text-align: center;">2,950</td> <td style="text-align: center;">Loan liability</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">2,950</td> <td style="text-align: center;">—</td> </tr> </tbody> </table>	Guaranteed company	Amount (thousand EUR)	Type	F.P.N.I. BELGIUM N.V.	2,950	Loan liability	Total	2,950	—	
Guaranteed company	Amount (thousand EUR)	Type										
F.P.N.I. BELGIUM N.V.	2,950	Loan liability										
Total	2,950	—										
*4. Consumption tax	“Consumption tax temporarily paid” and “Consumption tax temporarily received” are offset, and the remainder is included in “Other current liabilities” of Current liabilities.	Same as left	—									
*5 Bills matured on the last day of the interim period	According to accounting policies for bills that mature on the last day of the fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the current interim period was a bank holiday. The amount of bills that matured on the last day of the interim period is as follows. Notes and bills receivable 87,403 thousand yen Notes and bills payable 80,988 thousand yen	According to accounting policies for bills that mature on the last day of the fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the current interim period was a bank holiday. The amount of bills that matured on the last day of the current interim period is as follows. Notes and bills receivable 94,822 thousand yen Notes and bills payable 101,746 thousand yen	According to accounting policies for bills that mature on the last day of the fiscal accounting period, the bills were handled by settling accounts on the date of maturity, as the last day of the fiscal year was a bank holiday. The amount of bills that matured on the last day of the fiscal year is as follows. Notes and bills receivable 104,928 thousand yen Notes and bills payable 115,836 thousand yen									

(On the Statements of Income)

Account	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
*1. Major accounts included in Non-operating income	Interest income 2,246 thousand yen Dividend income 27,615 thousand yen Gain from foreign currency exchange 29,160 thousand yen House-rent received 17,756 thousand yen	Interest income 18,832 thousand yen Dividend income 27,632 thousand yen Gain from foreign currency exchange 12,617 thousand yen House-rent received 21,042 thousand yen	Interest income 5,313 thousand yen Dividend income 30,169 thousand yen Gain from foreign currency exchange 52,877 thousand yen House-rent received 37,750 thousand yen
*2. Major accounts included in Non-operating expenses	Expenses for new overseas business 30,864 thousand yen	Expenses for new overseas business 47,586 thousand yen	Expenses for new overseas business 58,014 thousand yen
*3. Major accounts included in Extraordinary income	—	Subsidy for promotion costs in corporate location 200,000 thousand yen	Merchandise sales 28,639 thousand yen
*4. Major accounts included in Extraordinary losses	Loss on maintenance of overseas sale network 2,896 thousand yen Loss on cancellation of executive insurance policies 8,016 thousand yen	Provision of allowance for directors' retirement benefits 248,574 thousand yen Loss on asset impairment 20,043 thousand yen	Loss on retirement of fixed assets 40,570 thousand yen Loss on sales of investment securities 17,366 thousand yen
5. Depreciation and Amortization Expense	Tangible fixed assets 372,326 thousand yen Intangible fixed assets 1,774 thousand yen Investments in real estates 3,380 thousand yen	Tangible fixed assets 914,990 thousand yen Intangible fixed assets 2,370 thousand yen Investments in real estates 3,250 thousand yen	Tangible fixed assets 760,401 thousand yen Intangible fixed assets 4,181 thousand yen Investments in real estates 6,761 thousand yen

(On the Statements of Shareholders' Equity)

Interim closing for FY2007 (April 1, 2006 to September 30, 2006)

Items regarding the type and number of shares of treasury stock

(In thousand stocks)

	Previous number of Shares (As of March 31, 2006)	Increased number of Shares (April 1, 2006 to September 30, 2006)	Decreased number of Shares (April 1, 2006 to September 30, 2006)	Current number of Shares (As of September 30, 2006)
Common Stock	29	0	0	30
Total	29	0	0	30

(Note) The increase and decrease in the number of shares of treasury stock for common shares consists of increases from the purchase of shares less than a full unit, and decreases from such purchases.

Interim closing for FY2008 (April 1, 2007 to September 30, 2007)

Items regarding the type and number of shares of treasury stock

(In thousand stocks)

	Previous number of Shares (As of March 31, 2007)	Increased number of Shares (April 1, 2007 to September 30, 2007)	Decreased number of Shares (April 1, 2007 to September 30, 2007)	Current number of Shares (As of September 30, 2007)
Common Stock	545	111	0	656
Total	545	111	0	656

(Note) The increase in treasury stocks in common stock for 111 thousand shares consists of 109 thousand shares through the board of directors' resolved acquisition of treasury stocks and 1 thousand shares through purchase of fractional stock. The decrease in the number of shares of treasury stock for common shares consists of decreases from such purchases.

FY2007 (April 1, 2006 to March 31, 2007)

Items regarding the type and number of shares of treasury stock

(In thousand stocks)

	Previous number of Shares (As of March 31, 2006)	Increased number of Shares (April 1, 2006 to March 31, 2007)	Decreased number of Shares (April 1, 2006 to March 31, 2007)	Current number of Shares (As of March 31, 2007)
Common Stock	29	515	0	545
Total	29	515	0	545

(Note) The increase in treasury stocks in common stock for 515 thousand shares consists of 513 thousand shares through the board of directors' resolved acquisition of treasury stocks and 1 thousand shares through purchase of fractional stock. The decrease in the number of shares of treasury stock for common shares consists of decreases from such purchases.

(Lease transactions)

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)																																				
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<p>(5) Calculation of the amount equal to interest expense The difference between the total of lease charges and the amount equal to the purchase price is regarded as the amount equal to interest expense, and the interest method is applied to allocation to each term.</p>	<p>(5) Calculation of the amount equal to interest expense Same as left</p>	<p>(5) Calculation of the amount equal to interest expense Same as left</p>																																				
<p>2. _____</p>	<p>2. Operating lease transaction Prepaid lease charges</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Within 1 year</td> <td style="text-align: right;">5,546</td> </tr> <tr> <td>More than 1 year</td> <td style="text-align: right;">18,119</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">23,665</td> </tr> </table>	Within 1 year	5,546	More than 1 year	18,119	Total	23,665	<p>2. Operating lease transaction Prepaid lease charges</p> <p style="text-align: right;">(In thousand yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Within 1 year</td> <td style="text-align: right;">5,312</td> </tr> <tr> <td>More than 1 year</td> <td style="text-align: right;">20,009</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">25,321</td> </tr> </table>	Within 1 year	5,312	More than 1 year	20,009	Total	25,321																								
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<p>(Asset impairment losses) There are no asset impairment losses attributed to leased assets.</p>	<p>(Asset impairment losses) Same as left</p>	<p>(Asset impairment losses) Same as left</p>																																				

(On the Securities)

In previous interim period (April 1, 2006 to September 30, 2006), current interim period (April 1, 2007 to September 30, 2007), and FY2007 (April 1, 2006 to March 31, 2007); there are no shares of subsidiaries and affiliated companies with market value.

(Per share data)

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
Net assets per share 1,302.11 yen	Net assets per share 1,321.76 yen	Net assets per share 1,314.07 yen
Net income per share 46.07 yen	Net income per share 32.90 yen	Net income per share 88.19 yen
Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment. (Additional information) In conjunction with "Guidelines for the application of accounting principles regarding current profit per share" (4th Guideline for the application of corporate accounting standards) amended as of January 31, 2006, the amount of deferred hedge profit and loss (after adjustment for tax effect) from the current interim period is included in the amount of net assets for the end of the interim term associated with common stock. The amount of net assets per share at the end of the current fiscal accounting period calculated according to methods adopted at the end of the previous fiscal year was 1,295.59 yen.	Same as left	Due to absence of residual shares with dilution effects, here is not indicated the net income after residual share adjustment. (Additional information) In conjunction with "Guidelines for the application of accounting principles regarding current profit per share" (4th Guideline for the application of corporate accounting standards) amended as of January 31, 2006, the amount of deferred hedge profit and loss (after adjustment for tax effect) from the current fiscal year is included in the amount of net assets for the end of the fiscal year associated with common stock. The amount of net assets per share at the end of the current fiscal accounting period calculated according to methods adopted at the end of the previous fiscal year was 1,305.38 yen.

Note: The amounts of interim (and full-year) net income per share are based on the following data

(in thousand yen)

	Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
Interim (full-year) net income	1,510,018	1,058,106	2,872,544
Amount not attributable to common shareholders	—	—	—
(Bonuses to directors and auditors through surplus appropriation, included)	(—)	(—)	(—)
Interim (full-year) net income available to common shares	1,510,018	1,058,106	2,872,544
Average number of shares outstanding during the term (in thousand shares)	32,778	32,161	32,572

(Important Subsequent Events)

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
<p>(Decision on items regarding the acquisition of treasury stock) In the Company's Board of Directors meeting convened on October 13, 2006, we decided to purchase some treasury stock based on the provisions of Article 156 of Corporate Law, which applies to a change in reading from Article 165, Paragraph 3 of the same law. The outline thereof is as follows.</p> <p>1. Reason for acquiring treasury stock Acquire treasury stock to make it possible to implement mobile capital in response to changes in the corporate climate and to pass on more profits to shareholders.</p> <p>2. Details of acquisition (1) Type of stock acquired Common stock (2) Total number of shares acquired 2,000,000 shares (cap) (6.1% of the total number of issued shares) (3) Total amount of acquisition cost for stock 6 billion yen (cap) (4) Timing of acquisition From October 16, 2006 to April 27, 2007</p> <p>3. Description of Acquisition of Treasury Stock (as of November 30, 2006) Total number of acquired shares 513,400 shares Total acquisition costs 1,174,917 thousand yen</p>	<p style="text-align: center;">—</p>	<p>(Decision on items regarding the acquisition of treasury stock) The Company passed a resolution regarding the acquisition of treasury stock and the detailed methodology of acquisition at the board of directors on May 16, 2007, based on the provision of Article 156 of the Corporation Law, and applied in accordance with the provision of Paragraph 3, Article 165 of the law, and acquired treasury stock as follows.</p> <p>1. Reason for acquiring treasury stock Acquire treasury stock to make it possible to implement mobile capital in response to changes in the corporate climate and to pass on more profits to shareholders.</p> <p>2. Details of acquisition (1) Type of stock acquired Common stock (2) Total number of shares acquired 2,000,000 shares (cap) (3) Timing of acquisition From May 17, 2007 to April 30, 2008 (4) Total amount of acquisition cost for stock 6 billion yen (cap)</p> <p>3. Description of Acquisition of Treasury Stock (as of May 31, 2007) Total number of acquired shares 50,200 shares Total acquisition costs 103,050 thousand yen</p>

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
—	—	<p>(Issuance of New Share Warrants) The Company resolved to issue new share warrants as stock options representing stock compensation, and to authorize the board of directors to decide upon details of the offering based on the provisions of Article 236, Article 238 and Article 239 of the Corporation Law, at the 29th annual meeting of shareholders held on June 15, 2007 as follows: Therefore, actual issuance of such new share warrants shall be subject to a resolution for new share warrant issuance of the subsequent board of directors of the Company and such resolution of the board of directors of the Company has not been passed as of the submission date of this securities report. In addition, such new share warrants shall be expensed over target service periods as “Stock compensation expenses” based on “Accounting Standards concerning Stock Options” (Corporate Accounting Standards No. 8) and “Accounting Standards Guideline concerning Stock Options” (Corporate Accounting Standards Guideline No. 11).</p> <ol style="list-style-type: none"> 1. Allottee of New Share Warrants Employees of the Company 2. Type and Number of Shares New Share Warrants are for Up to 100,000 shares of common stocks of the Company 3. Total Number of New Share Warrant Issued Up to 1,000 rights 4. Issuance Price of New Share Warrant No consideration 5. Price of Assets Contributed upon Execution of New Share Warrant 1 yen per share 6. Period for which New Share Warrant can be Executed April 1, 2013 to March 31, 2016 7. Exercise Conditions for New Share Warrant (1) An allottee of a New Share Warrant (hereinafter referred to as “the new share warrant holder”) shall be required to be an employee of the Company at the time of exercising the right. However, this shall not apply when the board of directors determines that there is due cause. (2) Transfer, pawn or other disposition and inheritance of new share warrants shall not be permitted. (3) Other conditions are subject to the provisions of the new share warrant allotment contract to be concluded by and between the Company and the new share warrant holder based on this annual meeting of shareholders and the subsequent resolutions of the board of directors.

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
—	—	<p>8. Causes and Conditions of Acquisition</p> <p>(1) When a proposal for permission for a merger agreement in which the Company shall become a defunct company is resolved at a meeting of shareholders, or when the proposal for permission for a share exchange agreement or an equity transfer agreement in which the Company shall be a wholly owned subsidiary is resolved at the meeting of shareholders, the Company can acquire all of the said new share warrants owned by the new share warrant holders, without consideration.</p> <p>(2) When the new share warrant holder cannot exercise the new share warrant due to a failure to satisfy conditions provided in Exercise Conditions for New Share Warrants before exercising the new share warrant or when the new share warrant holder renounces all or part of the new share warrants, the Company can acquire such new share warrants without consideration.</p> <p>(3) The Company can retire the new share warrants that the Company acquired and owns, without consideration at any time.</p> <p>9. Restriction on Transfer of New Share Warrants</p> <p>New share warrants shall not be transferred.</p> <p>10. Matters regarding Increased Capital Stock and Capital Surplus in the Case of Issuance of Shares by the Exercise of New Share Warrants</p> <p>(1) Amount of Capital Stock</p> <p>Half of the increased capital limitation amount calculated pursuant to Paragraph 1, Article 40 of the Corporate Calculation Regulations (rounded up to 1 yen).</p> <p>(2) Amount of Capital Surplus</p> <p>Increased capital amount mentioned in (1), less (1)</p>

Previous Interim Period (April 1, 2006 to September 30, 2006)	Current Interim Period (April 1, 2007 to September 30, 2007)	FY 2007 (April 1, 2006 to March 31, 2007)
—	<p>(Acceptance of Capital Subscription for Subsidiaries) The Company resolved to accept allocation of new common shares to a third party to be implemented by F.P.N.I. BELGIUM N.V., a Belgian subsidiary, and F.P. Natural Ingredients S.A.S., a French subsidiary, at the board of directors meeting on October 2, 2007.</p> <p>(1) Capital Subscription Amount (Capital Increase Amount)</p> <p style="padding-left: 20px;">Belgian subsidiary 16,000 thousand euros</p> <p style="padding-left: 20px;">French subsidiary 10,000 thousand euros</p> <p>(2) Type of Capital Subscription Allocation of new common shares to a third party</p> <p>(3) Capital Stock after Capital Subscription</p> <p style="padding-left: 20px;">Belgian subsidiary 30,000 thousand euros</p> <p style="padding-left: 20px;">French subsidiary 16,000 thousand euros</p>	—

6. Others

There is nothing to report.