

Gulliver International Co., Ltd.

Consolidated Results

First Quarter of the Fiscal Year Ending February 28, 2009

(Three-month period ended May 31, 2008)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions made and beliefs held by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions and the pricing and product initiatives of new and existing competitors.

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

First quarter results for the fiscal year ending February 28, 2009

July 7, 2008

Gulliver International Co., Ltd.

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http://www.glv.co.jp/
Chairman: Kenichi Hatori

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1. Consolidated financial results for the three-month period ended May 31, 2008

1) Consolidated operating results

| | Three months ended May 31, 2008 | | Three months ended May 31, 2007 | | Fiscal Year ended February 29, 2008 | |
|--|------------------------------------|------------|------------------------------------|------------|--|------------|
| | | (% change) | | (% change) | | (% change) |
| Sales..... | 46,198 | 8.1 | 42,714 | (3.5) | 190,592 | 4.6 |
| Operating income | 1,243 | (46.7) | 2,337 | 11.0 | 8,698 | (21.8) |
| Ordinary income | 1,065 | (55.1) | 2,377 | 13.7 | 8,699 | (20.8) |
| Net income..... | 266 | (81.3) | 1,430 | (29.9) | 4,650 | (29.1) |
| Earnings per share (¥) | 27.80 | -- | 146.25 | -- | 482.27 | -- |
| Fully diluted earnings per share (¥) | 27.80 | -- | 146.10 | -- | 482.15 | -- |

Note: Percentage figures for sales, operating income, etc. represent changes compared to the comparable period of the previous fiscal year.

2) Financial position (Consolidated)

| | As of May 31, 2008 | As of May 31, 2007 | As of February 29, 2008 |
|---|--------------------|--------------------|-------------------------|
| | Total assets | 54,257 | 42,196 |
| Net assets..... | 20,150 | 18,446 | 20,769 |
| Shareholders' equity ratio (%)..... | 36.4 | 42.8 | 40.4 |
| Shareholders' equity per share (¥)..... | 2,063.04 | 1,885.20 | 2,122.06 |

3) Consolidated cash flows

| | Three months ended May 31, 2008 | Three months ended May 31, 2007 | Fiscal Year ended February 29, 2008 |
|--|---|------------------------------------|--|
| | Cash flow from operating activities | (1,778) | 2,096 |
| Cash flow from investing activities | (717) | (1,694) | (2,960) |
| Cash flow from financing activities..... | 2,670 | (2,317) | 177 |
| Cash and cash equivalents at end of period.... | 3,831 | 3,126 | 3,639 |

2. Dividends

| | Fiscal year ended February 29, 2008 | Fiscal year ending February 28, 2009 (Forecast) |
|--------------------------------------|--|--|
| | Interim dividend per share(¥) | 87.00 |
| Year-end dividend per share(¥) | 87.00 | 62.00 |
| Annual dividend per share(¥)..... | 174.00 | 124.00 |

3. Reference: Forecasts for the fiscal year ending February 28, 2009 (March 1, 2008 to February 28, 2009)

| | Interim period ending August 31, 2008 | | FY ending February 28, 2009 | |
|------------------------------|--|---------|--------------------------------|---------|
| | | | | |
| Sales..... | 89,600 | 2.7% | 196,300 | 3.0% |
| Operating income | 3,200 | (32.7%) | 7,400 | (14.9%) |
| Ordinary income | 3,200 | (33.0%) | 7,400 | (14.9%) |
| Net Income | 1,700 | (37.2%) | 4,000 | (14.0%) |
| Earnings per share (¥) | 177.14 | -- | 416.79 | -- |

Note: Percentage figures for sales, operating income, etc. represent changes compared to the comparable period of the previous fiscal year.

4. Other

1) **Transfer of important subsidiaries during the period** (Transfers of certain subsidiaries resulting in changes in the scope of consolidation): None

2) **Utilization of simplified method of accounting**: Yes

3) **Changes to accounting methods during the fiscal year**: Yes

See *Operating Results*, Section 4. *Other* on page 4 for more detail.

Reference: Outline of Non-Consolidated Financial Results

1. Non-consolidated financial results for the three-month period ended May 31, 2008

1) Non-consolidated operating results

Millions of yen, rounded down

| | Three months ended May 31, 2008 | | Three months ended May 31, 2007 | | Fiscal Year ended February 29, 2008 | |
|--|------------------------------------|---------|------------------------------------|--------|--|---------|
| | | | | | | |
| Net Sales | 39,866 | 5.8% | 37,663 | (7.3%) | 167,219 | 0.4% |
| Operating income | 1,247 | (43.4%) | 2,206 | 10.7% | 8,459 | (21.0%) |
| Ordinary income | 1,247 | (44.7%) | 2,257 | 12.4% | 8,614 | (18.0%) |
| Net income | 451 | (37.0%) | 1,370 | 35.7% | 4,293 | (23.9%) |
| Earnings per share (¥) | 47.08 | -- | 140.11 | -- | 445.27 | -- |
| Fully diluted earnings per share (¥) | 47.08 | -- | 139.97 | -- | 445.16 | -- |

Note: Percentage figures for sales, operating income, etc. represent changes compared to the comparable period of the previous fiscal year.

2) Financial position (non-consolidated)

Millions of yen, rounded down

| | As of May 31, 2008 | As of May 31, 2007 | As of February 29, 2008 |
|--|--------------------|--------------------|-------------------------|
| Total assets | 35,980 | 36,241 | 35,378 |
| Net assets | 18,996 | 17,283 | 19,389 |
| Shareholders' equity ratio (%) | 52.7 | 47.7 | 54.8 |
| Shareholders' equity per share (¥) | 1,979.37 | 1,801.80 | 2,020.31 |

2. Reference: Non-consolidated forecasts for the fiscal year ending February 28, 2009 (March 1, 2008 to February 28, 2009)

Millions of yen, rounded down

| | Interim period ending August 31, 2008 | | FY ending February 28, 2009 | |
|------------------------------|--|---------|--------------------------------|--------|
| | | | | |
| Net Sales | 79,000 | 3.3% | 170,000 | 1.7% |
| Operating income | 3,100 | (29.9%) | 7,200 | (14.%) |
| Ordinary income | 3,100 | (30.6%) | 7,200 | (16.%) |
| Net income | 1,650 | (33.3%) | 3,800 | (11.%) |
| Earnings per share (¥) | 171.93 | -- | 395.95 | -- |

Forecasts and forward-looking statements in this document are based on a number of assumptions made and beliefs held by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including economic conditions, legislative and regulatory developments, delay in new product or service launches, and pricing and product initiatives of competitors.

Operating results and financial position

1. Consolidated operating results

Among Gulliver's stores involved in the purchase and sale of cars, 300 are directly operated stores (8 more than at the end of the same period of the previous fiscal year and 1 more than at the end of the previous fiscal year). The number of cars sold at directly managed stores increased as a result of an increase in the number of stores and investments in advertising.

In sales, general and administrative expenses, in addition to an increase in advertising expenses, personnel expenses increased following an increase in the number of staff in the previous fiscal year.

As a result of changes to the accounting treatment for the reserve for retirement benefits for directors, provisions for the reserve for retirement benefits for directors arising with respect to previous fiscal years have been recorded as extraordinary losses.

As a result of the factors noted above, consolidated net sales for the period under review increased 8.1% to ¥46,198 million and operating income decreased 46.7% to ¥1,243 million. Ordinary income decreased 55.1% to ¥1,065 million and net income decreased 81.3% to ¥266 million.

2. Financial Position

At the end of the first quarter of the fiscal year ending February 28, 2009, total assets increased ¥3,831 million compared to February 29, 2008, liabilities increased ¥4,449 million and net assets decreased ¥619 million.

The primary contributing factor to changes in total assets was a ¥2,649 million increase in inventory. The primary contributing factors to changes in liabilities were a ¥1,095 million increase in accounts payable and a ¥2,918 million increase in short-term borrowing. The primary factor contributing to changes in net assets was a ¥573 million decrease in retained profit.

As a result, net assets per share were ¥2,063.04 and the shareholders equity ratio was 36.4%.

Cash flow

As of May 31, 2008, the balance of cash and cash equivalents, on a consolidated basis, increased ¥192 million compared to February 29, 2008 to ¥3,831 million.

Primary contributing factors to the status cash flow are as follows:

Cash flow used in/from operating activities

Cash used in operating activities during the period under review was ¥1,778 million compared to an increase of ¥2,096 million at the end of the first quarter of the previous fiscal year. This was primarily due to the effects of a ¥2,649 million payment from an increase in inventory.

Cash flow from investing activities

Net cash used in investing activities was ¥717 million, compared to cash of ¥1,694 million used in the first quarter of the previous fiscal year. This was primarily due to payments for investments in facilities.

Cash flow from financing activities

Net cash generated from financing activities was ¥2,670 million, compared to cash of ¥2,317 million used in the first quarter of the previous fiscal year. This was primarily due to an inflow of ¥2,918 million from an increase in short-term borrowing, and an inflow of ¥587 million due to an increase in long-term borrowing and an outflow of ¥834 million for year-end dividend payments.

3. Qualitative information regarding forecasts

There have been no changes made to the interim and full year consolidated results forecasts included in the financial statements issued April 18, 2008.

4. Other

- 1) Transfer of important subsidiaries during the period (Transfers of subsidiaries resulting in changes in the scope of consolidation): None.
- 2) Changes in accounting principles and procedures:
Certain simple accounting methods were employed. The effects on financial results were immaterial.
- 3) Changes to accounting methods made during the current fiscal year.

Reserve for retirement benefits for directors

Previously, payments for retirement benefits for directors were treated as expenses at time of payment. However, as of the fiscal year ending February 28, 2009, we have changed method, and now record the amount of retirement benefits for directors incurred in a given year in the reserve for retirement benefits for directors at the end of that year, based on our regulations for payment of retirement benefits for directors, following our adoption of the revised "Treatment for Auditing of Reserve under Special Taxation Measures Law, Allowance or Reserve under Special Laws and Allowance for Retirements Benefits to Directors" (JICPA Audit and Assurance Practice Committee Report No. 42).

For the first quarter of the consolidated fiscal year ending February 28, 2009, a provision for the retirement benefits for directors of ¥10 million was recorded under sales, general and administrative expenses and ¥376 million was recorded as an extraordinary loss for the previous fiscal years in which they occurred.

Consolidated Balance Sheets

| | | | | | <i>Millions of yen</i> |
|--|-----------------------|-----------------------|---------------|---------------|-------------------------------|
| | As of May 31, 2008 | As of May 31, 2007 | Change | | As of February 29, 2008 |
| | | | Amount | Percentage | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and deposits | 3,831 | 3,126 | 704 | | 3,639 |
| Accounts receivable..... | 16,066 | 11,468 | 4,598 | | 16,166 |
| Inventory | 9,943 | 4,804 | 5,138 | | 7,294 |
| Deferred tax assets..... | 274 | 508 | (233) | | 407 |
| Other..... | 4,970 | 3,357 | 1,612 | | 3,667 |
| Allowance for doubtful accounts | (125) | (167) | 41 | | (25) |
| Total current assets..... | 34,961 | 23,099 | 11,861 | 51.3 | 31,148 |
| Fixed assets | | | | | |
| Tangible fixed assets | | | | | |
| Buildings and structures..... | 7,854 | 7,913 | (58) | | 7,848 |
| Tools, fixtures and equipment..... | 1,544 | 1,264 | 280 | | 1,420 |
| Land..... | 327 | 327 | -- | | 327 |
| Other..... | 289 | 169 | 119 | | 161 |
| Total tangible fixed assets..... | 10,015 | 9,674 | 341 | 3.5 | 9,758 |
| Intangible fixed assets | | | | | |
| Software..... | 1,856 | 2,158 | (302) | | 1,994 |
| Other..... | 216 | 165 | 51 | | 225 |
| Total intangible fixed assets | 2,073 | 2,324 | (251) | (10.8) | 2,220 |
| Investments and other assets | | | | | |
| Investment securities | 78 | 97 | (19) | | 98 |
| Shares in affiliate companies | 5 | 108 | (103) | | 5 |
| Deposits and guarantee money | 3,359 | 3,750 | (391) | | 3,404 |
| Construction cooperation fund..... | 3,180 | 2,540 | 639 | | 3,180 |
| Deferred tax assets..... | 540 | 264 | 276 | | 465 |
| Others | 427 | 410 | 17 | | 436 |
| Allowance for doubtful accounts | (383) | (74) | (308) | | (292) |
| Total investments and other assets | 7,207 | 7,097 | 109 | 1.5 | 7,298 |
| Total fixed assets | 19,296 | 19,096 | 199 | 1.0 | 19,278 |
| Total Assets..... | 54,257 | 42,196 | 12,061 | 28.5 | 50,426 |

Consolidated Balance Sheets

| | As of May 31, 2008 | As of May 31, 2007 | Change | | As of February 29, 2008 |
|--|-----------------------|-----------------------|---------------|--------------|-------------------------------|
| | | | Amount | Percentage | |
| <i>Millions of yen</i> | | | | | |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Accounts payable | 4,600 | 2,383 | 2,217 | | 3,505 |
| Short-term borrowing..... | 16,049 | 13,500 | 2,549 | | 13,131 |
| Accrued expenses..... | 3,108 | 2,919 | 188 | | 3,039 |
| Accrued corporate taxes..... | 394 | 760 | (366) | | 1,306 |
| Deposits received..... | 229 | 699 | (470) | | 351 |
| Reserve for bonuses | 477 | 308 | 168 | | 562 |
| Others..... | 2,784 | 1,777 | 1,006 | | 2,182 |
| Total current liabilities | 27,642 | 22,348 | 5,294 | 23.6 | 24,078 |
| Long-term liabilities | | | | | |
| Long-term borrowing..... | 4,672 | 525 | 4,147 | | 4,085 |
| Guarantee deposits received..... | 1,027 | 876 | 151 | | 1,021 |
| Other | 763 | -- | 763 | | 471 |
| Total long-term liabilities | 6,463 | 1,401 | 5,062 | 361.3 | 5,578 |
| Total liabilities | 34,106 | 23,749 | 10,357 | 43.6 | 29,657 |
| NET ASSETS | | | | | |
| Shareholders' equity | | | | | |
| Paid-in capital | 4,157 | 4,157 | -- | | 4,157 |
| Capital surplus..... | 4,032 | 4,032 | -- | | 4,032 |
| Retained profit | 22,260 | 20,612 | 1,647 | | 22,833 |
| Treasury stock | (10,678) | (10,724) | 46 | | (10,678) |
| Total shareholders' equity | 19,771 | 18,077 | 1,694 | 9.4 | 20,344 |
| Valuation difference on other marketable securities | | | | | |
| Unrealized gains and losses in other securities..... | (2) | 6 | (9) | | 7 |
| Translation adjustments | 30 | (1) | 32 | | 13 |
| Total appraisal and translation differences | 28 | 5 | 23 | 420.6 | 20 |
| Warrants for new shares | 4 | 1 | 3 | 171.4 | 4 |
| Minority interests | 345 | 361 | (15) | (4.3) | 400 |
| Total net assets | 20,150 | 18,446 | 1,704 | 9.2 | 20,769 |
| Total liabilities and net assets | 54,257 | 42,196 | 12,061 | 28.5 | 50,426 |

Consolidated Statements of Income

Millions of yen

| | March 1, 2008 to May 31, 2008 | March 1, 2007 to May 31, 2007 | Change | | March 1, 2007 to February 29, 2008 |
|--|----------------------------------|----------------------------------|----------------|---------------|--|
| | | | Amount | Percentage | |
| Sales | 46,198 | 42,714 | 3,483 | 8.1 | 190,592 |
| Cost of sales | 35,777 | 32,588 | 3,189 | 9.7 | 147,032 |
| Gross profit | 10,420 | 10,126 | 293 | 2.9 | 43,559 |
| Sales general and administrative expenses | 9,176 | 7,788 | 1,387 | 17.8 | 34,860 |
| Operating income | 1,243 | 2,337 | (1,094) | (46.7) | 8,698 |
| Non-operating income | 73 | 72 | 1 | 1.6 | 307 |
| Non-operating expenses | 251 | 32 | 218 | 662.4 | 306 |
| Ordinary income | 1,065 | 2,377 | (1,311) | (55.1) | 8,699 |
| Extraordinary profit | 17 | 59 | (42) | (70.7) | 146 |
| Extraordinary losses | 438 | 38 | 400 | -- | 350 |
| Net income before taxes, etc. | 644 | 2,398 | (1,754) | (73.1) | 8,495 |
| Income tax, inhabitants tax and enterprise tax | 326 | 741 | (414) | (55.9) | 3,669 |
| Corporate tax adjustment | 102 | 224 | (122) | (54.5) | 126 |
| Minority interests | (51) | 2 | (53) | -- | 49 |
| Net income | 266 | 1,430 | (1,163) | (81.3) | 4,650 |

Consolidated Statements of Cash flows

| | <i>Millions of yen</i> | | |
|--|----------------------------------|----------------------------------|---------------------------------------|
| | March 1, 2008 to May 31, 2008 | March 1, 2007 to May 31, 2007 | March 1, 2007 to February 29, 2008 |
| I. Cash flow from operating activities | | | |
| Income before taxes, etc..... | 644 | 2,398 | 8,495 |
| Depreciation | 526 | 511 | 2,342 |
| Increase (decrease) in reserve for bonuses..... | (85) | (138) | 109 |
| Increase (decrease) in allowance for doubtful accounts | 190 | 2 | 174 |
| Interest and dividends received..... | (14) | (1) | (5) |
| Interest paid..... | 7 | 20 | 140 |
| New share issuance expenses | -- | 7 | -- |
| Gain on sale of fixed assets | -- | -- | (15) |
| Loss on disposal of fixed assets..... | -- | 33 | 330 |
| Payment of directors' bonuses..... | -- | (73) | -- |
| Increase (decrease) in accounts receivable..... | (98) | 2,383 | (2,267) |
| Increase (decrease) in inventory..... | (2,649) | (113) | (2,588) |
| Increase (decrease) in accounts payable | 1,038 | (907) | 169 |
| Increase (decrease) in operating loans..... | -- | (252) | (601) |
| Increase (decrease) in accrued consumption tax | 43 | (28) | (89) |
| Other | 2,561 | 1,203 | 508 |
| Subtotal | 2,163 | 5,045 | 6,705 |
| Interest and dividends received..... | 14 | 1 | 5 |
| Interest paid..... | (7) | (21) | (140) |
| Corporate taxes paid..... | (3,949) | (2,928) | (5,214) |
| Cash flow from operating activities | (1,778) | 2,096 | 1,354 |
| II. Cash flow from investing activities | | | |
| Payments for purchase of marketable securities | (589) | (942) | (1,946) |
| Proceeds from sale of marketable securities | -- | 0 | 116 |
| Payments for acquisition of intangible fixed assets..... | (41) | (341) | (824) |
| Payments for acquisition of shares of affiliates | -- | -- | (0) |
| Amounts lent | (102) | (276) | (3) |
| Proceeds from repayment of loans | -- | 1 | 3 |
| Deposit and guarantee payments | 45 | (142) | (305) |
| Other | (30) | 6 | -- |
| Cash flow from investing activities | (717) | (1,694) | (2,960) |
| III. Cash flow from financing activities | | | |
| Net increase (decrease) in short term borrowings | 2,918 | (90) | (471) |
| Repayment of long-term loans | 587 | (25) | (986) |
| Proceeds from long-term loans | -- | -- | 4,661 |
| Payments for acquisition of treasury stock..... | -- | (1,320) | (1,320) |
| Proceeds from disposal of treasury stock | -- | 41 | 56 |
| Proceeds from issuance of new shares | -- | (7) | -- |
| Payment of dividends..... | (834) | (909) | (1,744) |
| Dividends paid to minority shareholders | -- | (5) | (5) |
| Other | -- | (1) | (10) |
| Cash flow from financing activities | 2,670 | (2,317) | 177 |
| IV. Cash and cash equivalents currency translation differences..... | 17 | 0 | 6 |
| V. (Decrease) increase in cash and cash equivalents..... | 174 | (1,915) | (1,421) |
| VI. Cash and cash equivalents at beginning of period..... | 3,639 | 4,855 | 4,855 |
| VII. Increase in cash and cash equivalents from change in scope of consolidation..... | -- | 186 | 205 |
| VIII. Cash and cash equivalents at end of period | 3,831 | 3,126 | 3,639 |

4. Segment Information

Segment information by business type

First quarter of the fiscal year ending February 28, 2009 (March 1, 2008 to May 31, 2008)

Millions of yen

| | Trading of used cars | Financial business | Other businesses | Total | Elimination/All company | Consolidated |
|--|----------------------|--------------------|------------------|--------|-------------------------|--------------|
| Sales | | | | | | |
| (1) Sales to external customers | 42,818 | 1,259 | 2,120 | 46,198 | -- | 46,198 |
| (2) Inter-segmental sales or transfers | 268 | 178 | 961 | 1,408 | (1,408) | -- |
| Total | 43,086 | 1,438 | 3,082 | 47,606 | (1,408) | 46,198 |
| Operating expenses | 41,280 | 1,343 | 2,355 | 44,979 | (25) | 44,954 |
| Operating income | 1,805 | 94 | 726 | 2,627 | (1,383) | 1,243 |

First quarter of the fiscal year ended February 29, 2008 (March 1, 2007 to May 31, 2007)

Millions of yen

| | Trading of used cars | Financial business | Other businesses | Total | Elimination/All company | Consolidated |
|--|----------------------|--------------------|------------------|--------|-------------------------|--------------|
| Sales | | | | | | |
| (1) Sales to external customers | 39,875 | 1,011 | 1,823 | 42,714 | -- | 42,714 |
| (2) Inter-segmental sales or transfers | 205 | 137 | 613 | 957 | (957) | -- |
| Total | 40,080 | 1,148 | 2,442 | 43,671 | (957) | 42,714 |
| Operating expenses | 37,139 | 999 | 1,771 | 39,909 | 467 | 40,376 |
| Operating income | 2,941 | 149 | 671 | 3,762 | (1,424) | 2,337 |

Segment information by geographical location

For the first quarter of the current consolidated fiscal year and for the previous fiscal year some consolidated subsidiaries were located overseas, but as over 90% of sales for each segment were in Japan, segment information by geographical location has been omitted.

Overseas sales

For the first quarter of the current consolidated fiscal year, and for the previous fiscal year, overseas sales were less than 10% of consolidated sales and have therefore been omitted.

Non-consolidated Balance Sheets

| Millions of yen | | | | | |
|---|-----------------------|-----------------------|--------------|--------------|----------------------------|
| | As of May 31, 2008 | As of May 31, 2007 | Change | | As of February 29, 2008 |
| | | | Amount | Percentage | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and deposits..... | 1,624 | 1,440 | 184 | | 2,004 |
| Accounts receivable | 4,064 | 3,424 | 639 | | 5,125 |
| Inventory..... | 4,794 | 2,606 | 2,188 | | 4,042 |
| Prepaid expenses..... | 482 | -- | 482 | | 396 |
| Accrued credit | 178 | -- | 178 | | 300 |
| Advances paid..... | 812 | -- | 812 | | 280 |
| Short-term loans to related companies.... | -- | 6,497 | (6,497) | | -- |
| Deferred tax assets | 141 | 477 | (335) | | 344 |
| Others..... | 100 | 1,556 | (1,456) | | 96 |
| Allowance for doubtful accounts..... | (22) | (188) | 165 | | (7) |
| Total current assets..... | 12,176 | 15,814 | (3,638) | (23.0) | 12,592 |
| Fixed assets | | | | | |
| Tangible fixed assets | | | | | |
| Buildings and structures | 7,604 | 7,883 | (278) | | 7,595 |
| Tools, fixtures and equipment | 1,032 | 1,271 | (239) | | 1,055 |
| Land | 327 | 327 | -- | | 327 |
| Other | 241 | 90 | 150 | | 124 |
| Total tangible fixed assets | 9,206 | 9,573 | (367) | (3.8) | 9,103 |
| Intangible fixed assets | | | | | |
| Software | 1,548 | 1,988 | (440) | | 1,673 |
| Other | 165 | 145 | 20 | | 170 |
| Total intangible fixed assets..... | 1,713 | 2,133 | (420) | (19.6) | 1,845 |
| Investments and other assets | | | | | |
| Investment securities..... | 78 | 97 | (19) | | 98 |
| Shares in affiliate companies..... | 2,267 | 2,191 | 76 | | 2,267 |
| Long-term loans to affiliates | 4,246 | -- | 4,246 | | 3,116 |
| Defaulted claims, etc..... | 46 | -- | 46 | | 19 |
| Long-term prepaid expenses..... | 43 | -- | (43) | | 58 |
| Insurance reserves..... | 81 | -- | 81 | | 79 |
| Deposits and guarantee money..... | 2,950 | 3,654 | (704) | | 3,035 |
| Construction cooperation fund..... | 3,180 | 2,540 | 639 | | 3,180 |
| Deferred tax assets | 322 | 37 | 285 | | 238 |
| Other | -- | 231 | (231) | | -- |
| Allowance for doubtful accounts..... | (333) | (33) | (300) | | (257) |
| Total investment and other assets..... | 12,884 | 8,719 | 4,165 | 47.6 | 11,837 |
| Total fixed assets | 23,804 | 20,426 | 3,377 | 16.5 | 22,785 |
| Total Assets | 35,980 | 36,241 | (260) | (0.7) | 35,378 |

Non-consolidated Balance Sheets

Millions of yen, rounded down

| | As of May 31, 2008 | As of May 31, 2007 | Change | | As of February 29, 2008 |
|--|-----------------------|-----------------------|----------------|----------------|----------------------------|
| | | | Amount | Percentage | |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Accounts payable | 2,291 | 1,915 | 375 | | 2,217 |
| Short-term borrowing | 6,398 | 11,000 | (4,601) | | 5,300 |
| Accounts payable | 1,402 | 2,164 | (762) | | 1,185 |
| Accrued corporate taxes | 254 | 714 | (459) | | 1,122 |
| Accrued consumption taxes | 188 | -- | 188 | | 90 |
| Accrued expenses | 1,089 | -- | 1,089 | | 842 |
| Advances received | 262 | 302 | (39) | | 266 |
| Deposits received | 193 | 670 | (476) | | 322 |
| Reserve for bonuses | 333 | 272 | 61 | | 473 |
| Reserve for directors' bonuses | 63 | -- | 63 | | 63 |
| Accrued expenses for facilities | 138 | -- | 138 | | 106 |
| Other | 22 | 1,041 | (1,019) | | 52 |
| Total current liabilities | 12,637 | 18,081 | (5,444) | (30.1) | 12,043 |
| Long-term liabilities | | | | | |
| Long-term debt | 3,100 | -- | 3,100 | | 3,100 |
| Guarantee deposits received | 860 | 876 | (15) | | 844 |
| Reserve for retirement benefits for directors | 386 | -- | 386 | | -- |
| Total long-term liabilities | 4,346 | 876 | 3,470 | 396.1 | 3,944 |
| Total liabilities | 16,984 | 18,957 | (1,973) | (10.4) | 15,988 |
| NET ASSETS | | | | | |
| Shareholders' equity | | | | | |
| Paid-in capital | 4,157 | 4,157 | -- | | 4,157 |
| Capital surplus | 4,032 | 4,032 | -- | | 4,032 |
| Retained profit | 21,486 | 19,811 | 1,675 | | 21,869 |
| Treasury stock | (10,678) | (10,724) | 46 | | (10,678) |
| Total shareholders' equity | 18,998 | 17,276 | 1,721 | 9.9 | 19,381 |
| Valuation difference on other marketable securities | | | | | |
| Unrealized gains and losses in other securities | (2) | 6 | (9) | | 7 |
| Total appraisal and translation differences | (2) | 6 | (9) | (130.8) | 7 |
| Total net assets | 18,996 | 17,283 | 1,713 | 9.9 | 19,389 |
| Total liabilities and net assets | 35,980 | 36,241 | (260) | (0.7) | 35,378 |

Non-consolidated Statements of Income

| | <i>Millions of yen</i> | | | | |
|--|----------------------------------|----------------------------------|---------|------------|---------------------------------------|
| | March 1, 2008 to May 31, 2008 | March 1, 2007 to May 31, 2007 | Change | | March 1, 2007 to February 29, 2008 |
| | | | Amount | Percentage | |
| Sales | 39,866 | 37,663 | 2,202 | 5.8 | 167,219 |
| Cost of sales | 30,738 | 28,452 | 2,286 | 8.0 | 128,303 |
| Gross profit | 9,127 | 9,211 | (84) | (0.9) | 38,915 |
| Sales, general & administrative expenses | 7,879 | 7,005 | 874 | 12.4 | 30,456 |
| Operating income..... | 1,247 | 2,206 | (958) | (43.4) | 8,459 |
| Non-operating income | 90 | 72 | 18 | 24.9 | 356 |
| Non-operating expenses | 90 | 21 | 69 | 325.8 | 201 |
| Ordinary income..... | 1,247 | 2,257 | (1,009) | (44.7) | 8,614 |
| Extraordinary profit | -- | 52 | (52) | (100.0) | 20 |
| Extraordinary losses | 438 | 38 | 400 | -- | 898 |
| Net income before taxes, etc. | 809 | 2,271 | (1,462) | (64.3) | 7,735 |
| Corporate income tax, inhabitants tax and enterprise tax..... | 233 | 698 | (465) | (66.6) | 3,307 |
| Corporate tax adjustments | 124 | 203 | (78) | (38.8) | 135 |
| Net income | 451 | 1,370 | (918) | (67.0) | 4,293 |