### Financial Statements for the Interim Term Ended August 31, 2007

(Fractional amounts less than one million yen are discarded)

October 5, 2007

Company Name: PARCO CO.,LTD. Listed exchanges: Tokyo Stock Exchange(first section)

Code Number: 8251 URL <a href="http://www.parco.co.jp/">http://www.parco.co.jp/</a> Representative: Isamu Ito, Chairman of the Board, President & Chief Executive Officer

Contact: Kazumi Kojima, Member of the Board, Director Finance Department & Chief Financial Officer TEL (03)3477-5791

Scheduled filing date of semiannual securities report: November 15, 2007

Scheduled payment date of dividends: October 25, 2007

Based on US GAAP: Inapplicable

#### 1. Consolidated Financial Results (March 1, 2007 - August 31, 2007)

#### (1) Sales and Income

	Net sales (¥million)	Change [%]	Operating income (¥million)	Change [%]	Ordinary income (¥million)	Change [%]
Aug.2007 interim term	136,639	[+5.6]	5,461	[+3.6]	5,420	[+4.4]
Aug.2006 interim term	129,391	[+2.4]	5,273	[+13.4]	5,193	[+14.7]
Fiscal 2006	266,645	[+1.6]	9,756	[+7.4]	9,594	[+8.1]

	Net income (¥million)	Change [%]	Net income per share(¥)	Net income per share(diluted)(¥)
Aug.2007 interim term	2,730	[+6.1]	33.14	_
Aug.2006 interim term	2,572	[+16.4]	31.35	_
Fiscal 2006	4,503	[+12.4]	54.83	_

#### Reference:

1. Equity in gain/loss of affiliates:

Aug.2007 interim term :¥3 million Aug.2006 interim term : ¥-0 million

Fiscal 2006

: ¥-0 million

2. Percentages above represent the change from the prior interim term (fiscal year) unless otherwise stated.

#### (2) Financial Position

\=\frac{1}{2} \cdot \cdo										
	Total assets (¥million)	Net assets (¥million)	Equity ratio [%]	Net assets per share (¥)						
Aug.2007 interim term	189,812	72,453	[+38.1]	878.62						
Aug.2006 interim term	183,440	69,339	[+37.6]	839.68						
Fiscal 2006	182,553	70,777	[+38.7]	856.74						

Reference: Equity

Aug.2007 interim term: ¥72,383 million

Aug.2006 interim term: ¥68,955 million

Fiscal 2006:

¥70,581 million

#### (3) Cash Flows

	Cash flows from operating	Cash flows from investing	Cash flows from financing	Cash and cash equivalents		
	activities (¥million)	activities (¥million)	activities (¥million)	at end of the term (¥million)		
Aug.2007 interim term	7,783	-4,305	1,430	18,490		
Aug.2006 interim term	5,569	-928	-556	15,770		
Fiscal 2006	10,322	-3,673	-4,911	13,519		

#### 2. Dividends

	Cash Dividends per share (¥)						
Record Date	Interim	Year-end	Annual Dividends				
Fiscal 2006	6.00	7.00	13.00				
Fiscal 2007	7.00	_	14.00				
Fiscal 2007 (forecast)	_	7.00	14.00				

3. Consolidated Forecast (March 1, 2007 - February 29, 2008)

	Net sales (¥million)	Change [%]	Operating income (¥million)	Change [%]	Ordinary income (¥million)	Change [%]	Net income (¥million)	Change [%]	Net income per share(¥)
Fiscal 2007	292,000	[+9.5]	10,000	[+2.5]	9,900	[+3.2]	4,600	[+2.1]	55.84

Notes: The above forecasts are announced presupposing available information at October 5, 2007 and an assumption related to uncertain factors which will influence future results. Actual results may differ from forecast depending on various factors in future.

#### 4. Others

(1) Significant changes in subsidiaries (scope of consolidation) during period: None

Addition: None Elimination: None

(2) Changes in accounting principles, procedures, presentation, etc.

(a) Changes due to revision in accounting standards: Yes

(b) Other changes: None

(3) Shares outstanding (Common stock)

(a) Total number of shares outstanding including treasury stock
As of August 31, 2007 : 82,475,677 shares
As of August 31, 2006 : 82,210,781 shares
As of February 28, 2007 : 82,475,677 shares

(b) Total number of treasury stock

As of August 31, 2007 : 93,136 shares As of August 31, 2006 : 89,249 shares As of February 28, 2007 : 91,598 shares

#### [Reference] Summary of Non-Consolidated Financial Results

#### 1. Non-Consolidated Financial Results (March 1, 2007 - August 31, 2007)

#### (1) Sales and Income

	Net sales (¥million)	Change [%]	Operating income (¥million)	Change [%]	Ordinary income (¥million)	Change [%]
Aug.2007 interim term	124,846	[+4.3]	4,746	[+3.3]	4,732	[+5.1]
Aug.2006 interim term	119,691	[+2.1]	4,594	[+14.4]	4,503	[+18.6]
Fiscal 2006	246,439	[+1.6]	8,755	[+14.3]	8,481	[+15.9]

	Net income (¥million)	Change [%]	Net income per share(¥)
Aug.2007 interim term	2,340	[+4.6]	28.41
Aug.2006 interim term	2,236	[+43.5]	27.26
Fiscal 2006	3,633	[+20.9]	44.23

Notes: Percentages above represent the change from the prior interim term (fiscal year) unless otherwise stated.

#### (2) Financial Position

	Total assets (¥million)	Net assets (¥million)	Equity ratio [%]	Net assets per share (¥)
Aug.2007 interim term	180,970	72,022	39.8	874.25
Aug.2006 interim term	181,251	69,640	38.4	848.01
Fiscal 2006	173,796	70,662	40.7	857.72

Reference: Equity

Aug.2007 interim term: \$\frac{472,022}{2006}\$ million Aug.2006 interim term: \$\frac{469,640}{2006}\$ million Fiscal 2006: \$\frac{470,662}{2006}\$ million

#### 2. Non-Consolidated Forecast (March 1, 2007 - February 29, 2008)

	Net sales (¥million)	Change [%]	Operating income (¥million)	Change [%]	Ordinary income (¥million)	Change [%]	Net income (¥million)	Change [%]	Net income per share(¥)
Fiscal 2007	269,600	[+9.4]	8,800	[+0.5]	8,700	[+2.6]	4,000	[+10.1]	48.55

Notes: The above forecasts are announced presupposing available information at October 5, 2007 and an assumption related to uncertain factors which will influence future results. Actual results may differ from forecast depending on various factors in future.

## Consolidated Balance Sheets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

_							1	1			(¥ millions)
			Interin	n Term			Increase	Fis	scal 2006	5	Increase
(ACCETC)	A	ug.2006	%		ug.2007	%	(Decrease)		Ī	%	(Decrease)
(ASSETS) I .Current Assets:			%0			%0				%0	
		15 770			17,000		2 210		12 510		4 471
1 Cash and time deposits		15,770			17,990		2,219		13,519		4,471
2 Notes and accounts receivable - trade		7.654			0.455		504		7.022		222
and accounts receivable for completed contract	X.	7,651			8,155		504		7,922		233
3 Marketable securities		700			800		100				800
4 Inventories		2,610			3,168		558		3,112		56
5 Advance payment		79			102		22		87		14
6 Prepaid expenses		744			864		119		768		95
7 Deferred tax assets		759			855		96		753		102
8 Short-term loans		15			135		120		173		(37)
9 Others		1,057			1,071		14		929		141
Less: Allowance for doubtful accounts		(10)			(11)	1	(0)		(13)	•	2
Total current assets		29,378	16.0		33,133	17.5	3,755		27,254	14.9	5,878
II .Fixed Assets:											
1 Tangible fixed assets:											
(1) Buildings and structures	100,349			103,700				99,302			
Accumulated depreciation	60,929			61,800				60,285			
Accumulated impairment losses	1,708	37,710		1,458	40,441		2,730	1,461	37,554		2,886
(2) Machinery, equipment and motor vehicle				961				958			
Accumulated depreciation	649	299		662	299		(0)		312		(13)
(3) Tools, furniture and fixtures	4,395			4,504				4,288			
Accumulated depreciation	3,085			3,123				2,978			
Accumulated impairment losses	25	1,284		56	1,325		40	56	1,253		71
(4) Land		39,652			39,365		(286)		39,347		18
(5) Construction in progress		4,253			5,758		1,504		6,206		(448)
Total tangible fixed assets		83,201	45.4		87,189	45.9	3,988		84,674	46.4	2,514
2 Intangible fixed assets:											
(1) Leasehold		11,014			11,014		_		11,014		_
(2) Difference between cost of											
investments and equity in net asset	S	7			_		(7)		_		_
(3) Others		597			861		264		760	ļ	101
Total intangible fixed assets		11,620	6.3		11,876	6.2	256		11,774	6.5	101
3 Investments and other assets:											
(1) Investment securities		8,706			6,794		(1,911)		8,005		(1,210)
(2) Long-term loans		775			743		(32)		766		(22)
(3) Long-term prepaid expenses		874			908		33		779		128
(4) Fixed leasehold deposits		47,168			46,738		(430)		47,191		(452)
(5) Deferred tax assets		1,442			2,203		760		1,934		268
(6) Long-term accounts receivable - othe	r	201			139		(62)		198		(59)
(7) Others		197			314		116		205		108
Less: Allowance for doubtful accounts	1	(125)			(229)		(103)		(232)	ł	2
Total investments and other assets		59,241	32.3		57,612	30.4	(1,628)		58,849	32.2	(1,236)
Total fixed assets	1	154,062	84.0		156,679	82.5	2,616		155,299	85.1	1,379
Total assets		183,440	100.0		189,812	100.0	6,371		182,553	100.0	7,258

## Consolidated Balance Sheets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

Consolidated Subsidiaries:         383         0.2         70         0.1         (312)         195         0.1         (125)           Total net assets         69,339         37.8         72,453         38.2         3,114         70,777         38.8         1,676										(¥ millions)
CLIABILITIES			Interin			Increase	Fisc	al 2006	,	Increase
I. Current Liabilities: 1 Notes and accounts payable - trade 2 Short-term bank loans 1 11,490 9,389 (2,121) 9,108 2 23,813 3 Accounts payable - other 1,835 3 Accounts payable - other 1,835 5 Accrued mome taxes 2,153 5 Accrued mome taxes 2,153 5 Accrued mome taxes 2,153 6 Accrued expenses 1,343 6 Accounde banks of the mome taxes 2,153 6 Accrued bonuses to employees 960 1,047 866 920 126 7 Allowance for sales returns 19 20 0 15 4 8 Allowance for sales returns 19 20 0 15 4 8 Allowance for books unsold 78 8 68 8 (10) 71 (2) 9 Reserve for sales promotion 200 247 10 Current portion of straight bonds 11 Others 11 Others 12 Allowance for sales promotion 11 Others 11 Others 11 Straight bonds 14,000 12 Long-term Liabilities: 1 Straight bonds 14,000 1 Long-term bank loans 13,232 13,633 1 Long-term bank loans 14,180 1,048 1 Reserve for retirement benefits 1 Account expensive revented from tenants 14,180 1,178 1,178 1,178 1,178 1,178 1,178 1,179 1,162 1,179 1,16	(, - , - , - , - , - )	Aug.2006	ı	Aug.2007		(Decrease)				(Decrease)
1 Notes and accounts payable - trade 2 3,061	•		%		%				%	
2 Short-term bank loans 3 Accounts payable - other 4 Accrued expenses 1,343 5 Accrued income taxes 2,153 6 Accrued honuses to employees 960 1,047 6 Accrued honuses to employees 960 7 Allowance for sales returns 19 20 0 15 7 Allowance for sales returns 19 10 Current portion of straight bonds 11 Others 11 Others 11 Others 12 Jay2 12 Jay2 13 Jay2 14 Jay26 15 Stay3 14,486 15 Jay39 15 Jay39 16 Jay39 17 Jay39 18 Jay396 19 Jay39 18 Jay396 19 Jay39										
3   Accounts payable - other   1,835   2,784   948   2,335   449	. ,									
4 Accrued expenses       1,343       1,451       108       1,278       173         5 Accrued honome taxes       2,153       2,279       125       935       1,344         6 Accrued honuses to employees       960       1,047       86       920       126         7 Allowance for sales returns       19       20       0       115       4         8 Allowance for books unsold       78       68       (10)       71       (2)         9 Reserve for sales promotion       200       247       47       223       24         10 Current portion of straight bonds       —       14,000       14,000       12,000       2,000         11 Others       2,782       3,330       547       2,983       346         Total current liabilities:       14,000       —       (14,000)       2,000       2,000         2 Long-term bank loans       13,232       13,633       401       11,755       1,878         3 Long-term bank loans       13,232       13,633       401       11,755       1,878         3 Long-term bank loans       13,232       13,633       401       11,755       1,878         4 Reserve for retrement benefits       943       1,048       104	2 Short-term bank loans			, , , , , , , , , , , , , , , , , , ,		. , ,				-
5   Accrued income taxes   2,153   2,279   125   935   1,344     6   Accrued bonuses to employees   960   1,047   86   920   126     7   Allowance for sales returns   19   20   0   15   4     8   Allowance for sales returns   19   20   0   15   4     8   Allowance for sales returns   19   20   0   15   4     8   Allowance for sales promotion   200   247   47   223   24     10   Current portion of straight bonds   -	3 Accounts payable - other					948				449
6 Accrued bonuses to employees   960   1,047   866   920   126   126   7 Allowance for sales returns   19   20   0   15   4   4   8 Allowance for books unsold   78   68   (10)   71   (2)   9 Reserve for sales promotion   200   247   47   223   24   10   Current portion of straight bonds   2   14,000   14,000   12,000   2,000   2,000   11 Others   2,782   3,330   547   2,983   346   11 Others   2,782   3,330   547   2,983   346   11 Others   3,926   23.9   58,412   30.8   14,486   52,937   29.0   29.0   2,000   2,	4 Accrued expenses					108		1,278		173
7. Allowance for sales returns 8. Allowance for books unsold 9. Reserve for sales promotion 10. Current portion of straight bonds 10. Current portion of straight bonds 10. Current portion of straight bonds 11. Others Total current liabilities 13. Jay 14,000 14,000 14,000 14,000 12,000 2,000 11. Others Total current liabilities: 11. Long-term Liabilities: 11. Straight bonds 14,000 14,000 14,000 14,000 12,000 2,000 2,000 2 Long-term bank loans 13,232 13,633 10. (14,000) 2 Long-term bank loans 13,232 13,633 10. (14,000) 2 Long-term bank loans 13,232 13,633 10. (14,000) 2 Long-term bank loans 13,232 11. Others 10. Other retirement benefits 10. Other retirement b		2,153		2,279		125		935		1,344
8 Allowance for books unsold 9 8	6 Accrued bonuses to employees	960		1,047		86		920		126
9 Reserve for sales promotion 200	7 Allowance for sales returns	19		20		0		15		4
10 Current portion of straight bonds	8 Allowance for books unsold	78		68		(10)		71		(2)
11 Others	9 Reserve for sales promotion	200		247		47		223		24
Total current liabilities	10 Current portion of straight bonds	_		14,000		14,000		12,000		2,000
II .Long-term Liabilities: 1 Straight bonds 1 14,000 2 Long-term bank loans 1 13,232 1 13,633 3 Long-term accounts payable - other 2 94 2 85 3 Long-term accounts payable - other 4 Reserve for retirement benefits 5 Accrued retirement benefits for directors and statutory auditors 6 Allowance for loss on store closing 7 Guarantee deposits received from tenants 8 Others 7 Outrained deposits received from tenants 8 Others 7 Outrained liabilities 7 Total liabilities 7 Total liabilities 1 14,101 1 Common stock 2 Capital surplus 2 Tasaury stock 7 Total shareholders' Equity: 1 Common stock 2 Capital surplus 3 Retained earnings 4 Treasury stock 7 Total shareholders' equity 1 Valuation and Translation Adjustments 1 Net unrealized gains on securities 2 Double of Common securities 2 Consolidated Subsidiaries: 3 Reserve for retirement benefits 2 South 1 1,000 3 Reserve for retirement benefits 3 Reserve for retirement benefits 4 1,800 4 1,785 6 Reserve for retirement benefits 1 1,280 7 On 1 G12 7	11 Others	2,782		3,330		547	L	2,983		346
1 Straight bonds	Total current liabilities	43,926	23.9	58,412	30.8	14,486		52,937	29.0	5,475
2 Long-term bank loans   13,232   285   (9)   294   (9)   (9)   4 Reserve for retirement benefits   943   1,048   104   998   49   49   (9)   5 Accrued retirement benefits   6   8   1   7   0   0   0   0   0   0   0   0   0	II .Long-term Liabilities:									
3 Long-term accounts payable - other 4 Reserve for retirement benefits 5 Accrued retirement benefits 6 Allowance for loss on store closing 7 Guarantee deposits received from tenants 8 Others 7 Total long-term liabilities 7 Total labilities 7 Total shareholders' Equity: 1 Campun stock 2 Capital surplus 3 Retained earnings 4 Treasury stock 7 Total shareholders' equity 1 I. Net unrealized gains on securities 1 Net unrealized gains on securities 1 Net unrealized gains on securities 1 1,280 1 I. Minority Interests in 1 Consolidated Subsidiaries: 3 294 4 93 4 94 4 998 4 99 4 99 4 99 4 99 6 99 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 98 8 4 9 9 6 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 8 4 9 9 6 4 9 9 8 4 9 9 8 4 9 9 6 49 9 6 5 65 6 6 6 8 8 1 1 0 6 6 6 6 6 6 6 6 6 8 8 1 1 0 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	1 Straight bonds	14,000				(14,000)		2,000		(2,000)
4 Reserve for retirement benefits 5 Accrued retirement benefits for directors and statutory auditors 6 Allowance for loss on store closing 7 Guarantee deposits received from tenants 8 Others Total long-term liabilities 70,175 11,401 11,101 12,179 1,662 2,79 1,1662 2,79 1,17,56 6,18 3,257 111,776 6,1.2 2,581 11,776 6,1.2 2,581 11,776 6,1.2 2,581 11,776 6,1.2 2,581 11,776 6,1.2 2,581 11,776 6,1.2 2,583 2,2 1,166 1,17,59 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,50 1,17,776 1,18 1,199 1,100 1,11,200 1,	2 Long-term bank loans	13,232		13,633		401		11,755		1,878
5 Accrued retirement benefits       6       8       1       7       0         6 Allowance for loss on store closing       517       2,179       1,662       2,179       -         7 Guarantee deposits received from tenants       41,180       41,785       605       41,597       187         8 Others       -       5       5       5       5       (0)         Total long-term liabilities       70,175       38.3       58,945       31.0       (11,229)       58,839       32.2       106         Total liabilities       114,101       62.2       117,358       61.8       3,257       111,776       61.2       5,581         (NET ASSETS)       I. Shareholders' Equity:       26,867       14.7       26,867       14.1       -       26,867       14.7       -         1 Common stock       26,867       14.7       26,867       14.1       -       26,867       14.7       -         2 Capital surplus       27,196       14.8       27,527       14.5       331       27,527       15.1       -         3 Retained earnings       13,662       7.4       17,254       9.1       3,591       15,100       8.3       2,153         4 Treasury stock	3 Long-term accounts payable - other	294		285		(9)		294		(9)
for directors and statutory auditors         6         8         1         7         0         0           6 Allowance for loss on store closing         517         2,179         1,662         2,179         -           7 Guarantee deposits received from tenants         41,180         41,785         605         41,597         187           8 Others         -         5         5         5         5         5         (0)           Total long-term liabilities         70,175         38.3         58,945         31.0         (11,229)         58,839         32.2         106           NET ASSETS)         114,101         62.2         117,358         61.8         3,257         111,776         61.2         5,581           (NET ASSETS)         1         1         -         26,867         14.7         26,867         14.1         -         26,867         14.7         -           1 Shareholders' Equity:         26,867         14.7         26,867         14.1         -         26,867         14.7         -           2 Capital surplus         27,196         14.8         27,527         14.5         331         27,527         15.1         -           3 Retained earnings         13,662 <td>4 Reserve for retirement benefits</td> <td>943</td> <td></td> <td>1,048</td> <td></td> <td>104</td> <td></td> <td>998</td> <td></td> <td>49</td>	4 Reserve for retirement benefits	943		1,048		104		998		49
6 Allowance for loss on store closing 7 Guarantee deposits received from tenants 8 Others	5 Accrued retirement benefits									
7 Guarantee deposits received from tenants       41,180       41,785       605       41,597       187         8 Others       -       -       5       5       5       5       5       (0)         Total long-term liabilities       70,175       38.3       58,945       31.0       (11,229)       58,839       32.2       106         Total liabilities       114,101       62.2       117,358       61.8       3,257       111,776       61.2       5,581         (NET ASSETS)       I. Shareholders' Equity:       26,867       14.7       26,867       14.1       -       26,867       14.7       -         1 Common stock       26,867       14.8       27,527       14.5       331       27,527       15.1       -         2 Capital surplus       13,662       7.4       17,254       9.1       3,591       15,100       8.3       2,153         4 Treasury stock       (51)       (0.0)       (56)       (0.0)       (5)       (54)       (0.0)       (2)         Total shareholders' equity       67,675       36.9       71,592       37.7       3,917       69,441       38.1       2,151         II. Valuation and Translation Adjustments       1,280       0.7 </td <td>for directors and statutory auditors</td> <td>6</td> <td></td> <td>8</td> <td></td> <td>1</td> <td></td> <td>7</td> <td></td> <td>0</td>	for directors and statutory auditors	6		8		1		7		0
8 Others	6 Allowance for loss on store closing	517		2,179		1,662		2,179		_
Total long-term liabilities  Total liabilities  Tot	7 Guarantee deposits received from tenants	41,180		41,785		605		41,597		187
Total liabilities	8 Others	_		5		5		5		(0)
(NET ASSETS) I .Shareholders' Equity:  1 Common stock 2 Capital surplus 3 Retained earnings 4 Treasury stock Total shareholders' equity  I .Valuation and Translation Adjustments: 1 Net unrealized gains on securities 2 Foreign currency translation adjustments Total valuation and translation adjustments  I .Minority Interests in Consolidated Subsidiaries:	Total long-term liabilities	70,175	38.3	58,945	31.0	(11,229)		58,839	32.2	106
I .Shareholders' Equity:  1 Common stock  2 Capital surplus  3 Retained earnings  4 Treasury stock  Total shareholders' equity  1 Net unrealized gains on securities  Total valuation and translation adjustments  Total valuation and translation adjustments  Consolidated Subsidiaries:  Total net assets  2 Ca,867 14.7  2 Ca,867 14.1  - Ca,8667 14.1  - Ca,8667 14.7  - Ca,867 14.7  - Ca,867 14.7  - Ca,8667 14.7  - Ca,867 14.1  - Ca,867 14.7  - Ca,867 14.7  - Ca,867 14.7  - Ca,867 14.1  - Ca,86	Total liabilities	114,101	62.2	117,358	61.8	3,257	1	.11,776	61.2	5,581
1 Common stock       26,867       14.7       26,867       14.1       —       26,867       14.7       —         2 Capital surplus       27,196       14.8       27,527       14.5       331       27,527       15.1       —         3 Retained earnings       13,662       7.4       17,254       9.1       3,591       15,100       8.3       2,153         4 Treasury stock       (51)       (0.0)       (56)       (0.0)       (5)       (54)       (0.0)       (2)         Total shareholders' equity       67,675       36.9       71,592       37.7       3,917       69,441       38.1       2,151         II .Valuation and Translation Adjustments:       1,257       0.7       613       0.3       (643)       1,022       0.6       (408)         2 Foreign currency translation adjustments:       1,280       0.7       790       0.4       (490)       1,139       0.6       (349)         III .Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676 <td>(NET ASSETS)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	(NET ASSETS)									
2 Capital surplus 27,196 14.8 27,527 14.5 331 27,527 15.1  A Treasury stock 4 Treasury stock Total shareholders' equity  II. Valuation and Translation Adjustments: 1 Net unrealized gains on securities 2 Foreign currency translation adjustments Total valuation and translation adjustments  Total valuation and translation adjustments  Consolidated Subsidiaries:  Total net assets  27,196 14.8 27,527 14.5 331 27,527 15.1  A Treasury stock (51) (0.0) (56) (0.0) (5) (54) (0.0) (2)  71,592 37.7 3,917 69,441 38.1 2,151  A Total shareholders' equity  Total sharehold	I .Shareholders' Equity:									
3 Retained earnings       13,662       7.4       17,254       9.1       3,591       15,100       8.3       2,153         4 Treasury stock       (51)       (0.0)       (56)       (0.0)       (5)       (54)       (0.0)       (2)         Total shareholders' equity       67,675       36.9       71,592       37.7       3,917       69,441       38.1       2,151         II .Valuation and Translation Adjustments:       1,257       0.7       613       0.3       (643)       1,022       0.6       (408)         2 Foreign currency translation adjustments:       22       0.0       176       0.1       153       117       0.0       58         Total valuation and translation adjustments:       1,280       0.7       790       0.4       (490)       1,139       0.6       (349)         III .Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676	1 Common stock	26,867	14.7	26,867	14.1	_		26,867	14.7	_
4 Treasury stock Total shareholders' equity  II .Valuation and Translation Adjustments:  1 Net unrealized gains on securities 2 Foreign currency translation adjustments Total valuation and translation adjustments  III .Minority Interests in Consolidated Subsidiaries:  (51) (0.0) (55) (0.0) (57) (71,592) (71,592) (77,643) (77,777) (78,	2 Capital surplus	27,196	14.8	27,527	14.5	331		27,527	15.1	_
Total shareholders' equity  II .Valuation and	3 Retained earnings	13,662	7.4	17,254	9.1	3,591		15,100	8.3	2,153
II .Valuation and Translation Adjustments:  1 Net unrealized gains on securities  2 Foreign currency translation adjustments  Total valuation and translation adjustments  1,280 0.7 790 0.4 (490)  III .Minority Interests in  Consolidated Subsidiaries:  383 0.2 70 0.1 (312)  Total net assets	4 Treasury stock	(51)	(0.0)	(56)	(0.0)	(5)		(54)	(0.0)	(2)
Translation Adjustments:       1,257       0.7       613       0.3       (643)       1,022       0.6       (408)         2 Foreign currency translation adjustments       22       0.0       176       0.1       153       117       0.0       58         Total valuation and translation adjustments       1,280       0.7       790       0.4       (490)       1,139       0.6       (349)         III. Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676	Total shareholders' equity	67,675	36.9	71,592	37.7	3,917		69,441	38.1	2,151
1 Net unrealized gains on securities       1,257       0.7       613       0.3       (643)       1,022       0.6       (408)         2 Foreign currency translation adjustments       22       0.0       176       0.1       153       117       0.0       58         Total valuation and translation adjustments       1,280       0.7       790       0.4       (490)       1,139       0.6       (349)         III. Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676	II .Valuation and									
2 Foreign currency translation adjustments       22       0.0       176       0.1       153       117       0.0       58         Total valuation and translation adjustments       1,280       0.7       790       0.4       (490)       1,139       0.6       (349)         III. Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676	Translation Adjustments:									
Total valuation and translation adjustments  1,280 0.7 790 0.4 (490) 1,139 0.6 (349)  III. Minority Interests in  Consolidated Subsidiaries: 383 0.2 70 0.1 (312) 195 0.1 (125)  Total net assets 69,339 37.8 72,453 38.2 3,114 70,777 38.8 1,676	1 Net unrealized gains on securities	1,257	0.7	613	0.3	(643)		1,022	0.6	(408)
III. Minority Interests in Consolidated Subsidiaries:       383       0.2       70       0.1       (312)       195       0.1       (125)         Total net assets       69,339       37.8       72,453       38.2       3,114       70,777       38.8       1,676	2 Foreign currency translation adjustments	22	0.0	176	0.1	153		117	0.0	58
Consolidated Subsidiaries:         383         0.2         70         0.1         (312)         195         0.1         (125)           Total net assets         69,339         37.8         72,453         38.2         3,114         70,777         38.8         1,676	Total valuation and translation adjustments	1,280	0.7	790	0.4	(490)		1,139	0.6	(349)
Consolidated Subsidiaries:         383         0.2         70         0.1         (312)         195         0.1         (125)           Total net assets         69,339         37.8         72,453         38.2         3,114         70,777         38.8         1,676	Ⅲ.Minority Interests in									
	•	383	0.2	70	0.1	(312)		195	0.1	(125)
Total liabilities and net assets 183,440 100.0 189,812 100.0 6,371 182,553 100.0 7,258	Total net assets	69,339	37.8	72,453	38.2	3,114		70,777	38.8	1,676
	Total liabilities and net assets	183,440	100.0	189,812	100.0	6,371	1	.82,553	100.0	7,258

## Consolidated Statements of Income for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

	ı						1		(¥ n	nillions)
			Interin	n Term	2007		Increase	Fis	scal 2006	
	А	ug.2006	%	А	ug.2007	%	(Decrease)			%
I .Net sales		129,391			136,639	100.0	7,247		266,645	100.0
II .Cost of sales:		110,584	85.5		116,520	85.3	5,936		228,464	85.7
Net		18,807	14.5		20,118	14.7	1,311		38,180	14.3
Provision for allowance for sales returns		7	0.0		4	0.0	(2)		3	0.0
Gross profit		18,800	14.5		20,114	14.7	1,313		38,177	14.3
Ⅲ.Other operating revenue		983	0.8		1,132	0.8	148		2,008	0.8
Gross operating profit		19,783	15.3		21,246	15.5	1,462		40,185	15.1
IV.Selling, general and administrative expenses		14,510	11.2		15,784	11.5	1,274		30,429	11.4
Operating income		5,273	4.1		5,461	4.0	188		9,756	3.7
V .Non-operating income:										
1 Interest income	48			59				109		
2 Dividends income	52			55				62		
3 Others	160	261	0.2	155	270	0.2	9	348	520	0.2
VI.Non-operating expenses:					ı					
1 Interest expenses	235			208				459		
2 Bonds interest expenses	87			87				174		
3 Others	17	340	0.3	15	311	0.2	(28)	47	681	0.3
Ordinary income		5,193	4.0		5,420	4.0	226		9,594	3.6
Ⅷ.Special income:										
1 Gain on sales of fixed assets	_			_				252		
2 Gain on sales of investment securities	55			12				55		
3 Reversal of allowance for doubtful accounts	9			5				15		
4 Reversal of allowance for loss on store closing	243			_				666		
5 Compensation for termination of										
advisory services agreement	_			_				508		
6 Others	43	351	0.3	52	70	0.0	(280)	47	1,544	0.6
Ⅷ.Special losses:										
1 Loss on sales of fixed assets	0			0				0		
2 Loss on disposal of fixed assets	239			342				783		
3 Loss on impairment of fixed assets	551			13				653		
4 Loss on write-down of investment securities	46			437				434		
5 Provision for allowance for doubtful accounts	_			_				115		
6 Special allowance for retirement	_			_				49		
7 Loss on store closing	_			_				2,308		
8 Others	7	845	0.7	_	793	0.6	(51)	68	4,414	1.7
Income before income taxes										
and minority interests		4,699	3.6		4,696	3.4	(2)		6,725	2.5
Income taxes:										
Current income taxes	1,933			2,056				2,187		
Deferred income taxes	170	2,103	1.6	(90)	1,965	1.4	(137)	(150)	2,037	0.7
Minority interests		22	0.0		0	0.0	(22)		184	0.1
Net income		2,572	2.0		2,730	2.0	157		4,503	1.7

## Consolidated Statement of Changes in Net Assets for the Interim Term Ended August 31, 2006 (Fractional amounts less than one million yen are discarded)

		S	Shareholders' Equit	у	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at February 28, 2006	26,867	27,184	11,581	(166)	65,466
Change of items during the interim period					
Dividends from surplus			(491)		(491)
Net income			2,572		2,572
Repurchase of treasury stock				(1)	(1)
Disposal of treasury stock		11		116	128
Net changes of items other than					
shareholders' equity					
Total changes of items during the interim period	_	11	2,081	115	2,208
Balance at August 31, 2006	26,867	27,196	13,662	(51)	67,675

	Valuation	and Translation Ad	ljustments		
	Net unrealized gains on securities	Foreign currency transaction adjustments	Total valuation and translation adjustments	Minority Interests in Consolidated Subsidiaries	Total net assets
Balance at February 28, 2006	1,516	(7)	1,508	401	67,376
Change of items during the interim period					
Dividends from surplus					(491)
Net income					2,572
Repurchase of treasury stock					(1)
Disposal of treasury stock					128
Net changes of items other than					
shareholders' equity	(258)	30	(228)	(17)	(245)
Total changes of items during the interim period	(258)	30	(228)	(17)	1,962
Balance at August 31, 2006	1,257	22	1,280	383	69,339

# Consolidated Statement of Changes in Net Assets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

		9	Shareholders' Equit	ТУ	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at February 28, 2007	26,867	27,527	15,100	(54)	69,441
Change of items during the interim period					
Dividends from surplus			(576)		(576)
Net income			2,730		2,730
Repurchase of treasury stock				(2)	(2)
Net changes of items other than					
shareholders' equity					
Total changes of items during the interim period			2,153	(2)	2,151
Balance at August 31, 2007	26,867	27,527	17,254	(56)	71,592

	Valuation	and Translation Ad	djustments	M	
	Net unrealized gains on securities	Foreign currency transaction adjustments	Total valuation and translation adjustments	Minority Interests in Consolidated Subsidiaries	Total net assets
Balance at February 28, 2007	1,022	117	1,139	195	70,777
Change of items during the interim period					
Dividends from surplus					(576)
Net income					2,730
Repurchase of treasury stock					(2)
Net changes of items other than					
shareholders' equity	(408)	58	(349)	(125)	(474)
Total changes of items during the interim period	(408)	58	(349)	(125)	1,676
Balance at August 31, 2007	613	176	790	70	72,453

## Consolidated Statement of Changes in Net Assets for the Fiscal Year Ended February 28, 2007 (Fractional amounts less than one million yen are discarded)

		9	Shareholders' Equit	ТУ	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at February 28, 2006	26,867	27,184	11,581	(166)	65,466
Change of items during the period					
Issuance of shares		331			331
Dividends from surplus			(491)		(491)
Dividends from surplus (interim dividends)			(492)		(492)
Net income			4,503		4,503
Repurchase of treasury stock				(4)	(4)
Disposal of treasury stock		11		116	128
Net changes of items other than shareholders' equity					
Total changes of items during the period	_	343	3,519	112	3,974
Balance at February 28, 2007	26,867	27,527	15,100	(54)	69,441

	Valuation	and Translation Ad	djustments	Min with Total and	
	Net unrealized gains on securities	Foreign currency transaction adjustments	Total valuation and translation adjustments	Minority Interests in Consolidated Subsidiaries	Total net assets
Balance at February 28, 2006	1,516	(7)	1,508	401	67,376
Change of items during the period					
Issuance of shares					331
Dividends from surplus					(491)
Dividends from surplus (interim dividends)					(492)
Net income					4,503
Repurchase of treasury stock					(4)
Disposal of treasury stock					128
Net changes of items other than					
shareholders' equity	(494)	125	(369)	(205)	(574)
Total changes of items during the period	(494)	125	(369)	(205)	3,400
Balance at February 28, 2007	1,022	117	1,139	195	70,777

## Consolidated Statements of Cash Flows for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

					(# 1111110115)
		Interim	Term	Increase	Fiscal2006
		Aug.2006	Aug.2007	(Decrease)	
I .C	ash flows from operating activities:	_			
1	Income before income taxes and minority interests	4,699	4,696	(2)	6,725
2	Depreciation and amortization	1,912	2,135	223	3,893
3	Loss on impairment of fixed assets	551	13	(537)	653
4	Amortization of consolidation adjustments accounts	1	_	(1)	_
5	increase (Decrease) in allowance for doubtful accounts	(9)	(4)	4	99
6	Increase in accrued bonuses to employees	54	126	71	15
7	Increase in allowance for sales returns	7	4	(2)	3
8	Increase (Decrease) in allowance for books unsold	4	(2)	(7)	(2)
9	Increase in reserve for sales promotion	25	24	(1)	48
10	Increase in reserve for retirement benefits	46	49	2	101
11	Increase (Decrease) in accrued retirement benefits for directors and statutory auditors	(2)	0	3	(1)
12	Interest income and dividends income	(100)	(115)	(14)	(171)
13	Interest expenses	322	296	(26)	634
14	Loss on sales/disposal of fixed assets	79	137	57	22
15	Gain on sales of investment securities	(55)	(12)	42	(55)
16	Loss on write-down of investment securities	46	437	390	434
17	Loss on store closing	_	_	_	2,308
18	Reversal of allowance for loss on store closing	(243)	_	243	(666)
19	Increase in receivables	(88)	(233)	(144)	(546)
20	Increase in inventories	(359)	(56)	303	(861)
21	Increase in payables	946	746	(200)	951
22	Increase (Decrease) in other assets and liabilities, net	(790)	521	1,311	(306)
23	others	(23)	(4)	19	67
	Sub-total	7,025	8,761	1,736	13,347
24	Interest and dividends received	100	112	11	170
25	Interest paid	(286)	(283)	3	(624)
26	Payment resulting from store closing	-	-	-	(151)
27	Income taxes paid	(1,269)	(807)	462	(2,419)
	Net cash provided by operating activities	5,569	7,783	2,213	10,322

## Consolidated Statements of Cash Flows for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

					(* millions)
		Interin	n Term	Increase	Fiscal2006
		Aug.2006	Aug.2007	(Decrease)	
II .Ca	sh flows from investing activities:				
1	Acquisition of marketable securities	(700)	(300)	400	(700)
2	Sales of marketable securities	_	_	_	700
3	Acquisition of tangible fixed assets	(2,318)	(4,819)	(2,500)	(6,211)
4	Proceeds from sales of tangible fixed assets	6	0	(6)	523
5	Acquisition of investment securities	(500)	_	500	(592)
6	Proceeds from sales of investment securities	1,509	87	(1,421)	1,509
7	Payments for fixed leasehold deposits	(94)	(207)	(112)	(944)
8	Collection of fixed leasehold deposits	2,414	580	(1,834)	3,355
9	Increase (Decrease) in guarantee deposits received from tenants	(1,330)	813	2,144	(1,083)
10	others	86	(460)	(546)	(230)
	Net cash used by investing activities	(928)	(4,305)	(3,376)	(3,673)
Ⅲ.Ca	sh flows from financing activities:				
1	Increase (Decrease) in short-term bank loans	(3,030)	380	3,410	60
2	Proceeds from long-term bank loans	7,300	4,000	(3,300)	8,000
3	Repayment of long-term bank loans	(4,431)	(2,241)	2,190	(12,080)
4	Sales of treasury stock	127	(2)	(129)	124
5	Cash dividends paid	(491)	(576)	(85)	(984)
6	Cash dividends paid to minority shareholders	(32)	(129)	(97)	(32)
7	others	0	_	(0)	0
	Net cash provided (used) by financing activities	(556)	1,430	1,987	(4,911)
IV.Eff	ect of exchange rate changes on cash and cash equivalents	30	62	31	125
V.Ne	t increase in cash and cash equivalents	4,114	4,971	856	1,862
VI.Ca	sh and cash equivalents at beginning of the term	11,656	13,519	1,862	11,656
VII.Ca	sh and cash equivalents at end of the term	15,770	18,490	2,719	13,519

## Non-Consolidated Balance Sheets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

											(¥millions)
			Interin	n Term			Increase	Fi	scal 2006	;	Increase
	Δ	ug.2006		Δ	ug.2007		(Decrease)	1 1.	3cai 2000	,	(Decrease)
(ASSETS)	· · · · ·	149.2000	%	,,	ug.2007	%	(Decrease)			%	(Decrease)
I .Current Assets:			,,,			,,				,,,	
1 Cash and time deposits	11,791			13,169			1,377	7,738			5,431
2 Notes receivable - trade	0			-			(0)	1			(1)
3 Accounts receivable - trade	5,256			5,282			25	5,256			25
4 Finished products	276			219			(56)	238			(19)
5 Work-in-process	53			41			(12)	50			(9)
6 Supplies	0			2			1	0			1
7 Deferred tax assets	413			458			44	400			58
8 Short-term loans	15			291			275	207			83
9 Others	1,712			1,848			135	1,700			147
Less: Allowance for doubtful accounts	(3)			(8)			(4)	(8)			_
Total current assets	(-)	19,518	10.8	(-)	21,305	11.8	1,787	(-)	15,587	9.0	5,718
II .Fixed Assets:					,		,		,		,
1 Tangible fixed assets:											
(1)Buildings	37,167			39,716			2,548	36,902			2,814
(2)Land	40,248			40,011			(236)	39,979			32
(3)Others	5,803			7,332			1,528	7,681			(349)
Total tangible fixed assets	83,219			87,059	•		3,840	84,563			2,496
2 Intangible fixed assets:											
(1)Leasehold	11,014			11,014			_	11,014			_
(2)Others	471			656			184	575			81
Total intangible fixed assets	11,486			11,671			184	11,590			81
3 Investments and other assets:											
(1)Investment securities	8,254			6,399			(1,855)	7,513			(1,114)
(2)Investments in affiliates	10,173			5,699			(4,474)	5,699			-
(3)Long-term loans	751			716			(34)	740			(23)
(4)Fixed leasehold deposits	46,494			46,077			(416)	46,482			(404)
(5)Deferred tax assets	215			915			700	677			238
(6)Long-term accounts receivable - other	199			136			(62)	196			(59)
(7)Others	1,061			1,214			152	976			237
Less: Allowance for doubtful accounts	(123)			(227)			(103)	(229)			2
Total investments and other assets	67,028			60,933			(6,094)	62,056			(1,122)
Total fixed assets		161,733	89.2		159,665	88.2	(2,068)		158,209	91.0	1,455
Total assets		181,251	100.0		180,970	100.0	(281)		173,796	100.0	7,173

## Non-Consolidated Balance Sheets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

	Interim Term						Increase	Fi	scal 2006	;	Increase
	A	ug.2006		А	ug.2007		(Decrease)	1 1.	Jean 2000	,	(Decrease)
(LIABILITIES)		I	%			%	(,			%	( 11 1111)
I .Current Liabilities:											
1 Notes payable - trade	742			_			(742)	1,073			(1,073)
2 Accounts payable - trade	16,037			16,252			215	14,495			1,757
3 Short-term bank loans	16,990			10,769			(6,221)	9,808			961
4 Accounts payable - other	2,417			3,655			1,237	3,647			7
5 Accrued income taxes	1,712			1,838			125	556			1,281
6 Allowance reserve	536			588			51	512			75
7 Current portion of straight bonds	_			14,000			14,000	12,000			2,000
8 Others	3,664			3,663			(0)	2,921			742
Total current liabilities		42,101	23.2		50,767	28.1	8,665		45,015	25.9	5,751
II .Long-term Liabilities:											
1 Straight bonds	14,000			_			(14,000)	2,000			(2,000)
2 Long-term bank loans	13,232			13,633			401	11,755			1,878
3 Long-term accounts payable - other	237			236			(1)	237			(1)
4 Reserve for retirement benefits	208			209			0	213			(3)
5 Allowance for loss on store closing	517			2,179			1,662	2,179			_
6 Guarantee deposits received from tenants	41,313			41,922			608	41,732			189
Total long-term liabilities		69,510	38.4		58,180	32.1	(11,329)		58,118	33.4	61
Total liabilities		111,611	61.6		108,947	60.2	(2,663)		103,134	59.3	5,813
(NET ACCETC)			Ì								
(NET ASSETS)											
I .Shareholders' Equity:		26.067	140		26.067	14.0			26.067	15.5	
1 Common stock		26,867	14.8		26,867	14.8	_		26,867	15.5	_
2 Capital surplus	26,292			26 622			221	26,623			
(1)Additional paid-in capital	1			26,623			331				_
(2)Other capital surplus	903	27.106	15.0	903	27 527	15.0	0	903	27 527	15.0	_
Total capital surplus		27,196	15.0		27,527	15.2	331		27,527	15.8	_
3 Retained earnings	601			601				601			
(1)Legal reserve	681			681			_	681			_
(2)Other retained earnings	10,511			12.011			2 200	10 511			2 200
General reserve  Retained earnings brought forward	3,250			12,811 3,617			2,300 367	10,511 4,154			2,300
3 3	3,250	14 442		3,017	17 110	٥٦		4,154	15 246		(536)
Total retained earnings		14,442	8.0		17,110	9.5	2,667		15,346	8.8	1,763
4 Treasury stock		(51)	t		(56)	(0.0)			(54)		(2)
Total shareholders' equity		68,455	37.8		71,448	39.5	2,993		69,687	40.1	1,761
II .Valuation and Translation Adjustments:											
1 Net unrealized gains on securities		1 104			573		(611)		975		(401)
Total valuation and translation adjustments		1,184	0.6		573	0.3	(611) (611)		975	0.6	(401) (401)
Total net assets			38.4			39.8	2,382		70,662	40.7	
Total liabilities and net assets		69,640 181,251	100.0		72,022 180,970	100.0	(281)			40.7 100.0	1,359 7 173
Total liabilities affu fiet assets		101,231	100.0		100,3/0	100.0	(201)		173,796	100.0	7,173

### Non-Consolidated Statements of Income for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

			Interin	n Term			Increase	F	iscal 2006	5
		Aug.2006			Aug.2007		(Decrease)			
I .Net sales:			%			%				%
1 Tenants	116,877			121,543				240,820		
2 Other	2,814			3,302				5,619		
Total net sales		119,691	100.0		124,846	100.0	5,154		246,439	100.0
II .Cost of sales:										
<sub>1</sub> Tenants	103,142			107,122				212,812		
2 Other	1,946			2,237				4,005		
Total cost of sales		105,088	87.8		109,360	87.6	4,271		216,818	88.0
Net		14,603	12.2		15,486	12.4	883		29,620	12.0
Provision for allowance for sales returns		7	0.0		4	0.0	(2)		3	0.0
Gross profit		14,595	12.2		15,481	12.4	885		29,617	12.0
Ⅲ.Other operating revenue		1,090	0.9		1,180	0.9	90		2,207	0.9
Gross operating profit		15,686	13.1		16,662	13.3	976		31,824	12.9
IV.Selling, general and administrative expenses		11,091	9.3		11,915	9.5	824		23,068	9.3
Operating income		4,594	3.8		4,746	3.8	152		8,755	3.6
V .Non-operating income		272	0.2		291	0.2	18		485	0.2
VI.Non-operating expenses		363	0.3		306	0.2	(57)		759	0.4
Ordinary income		4,503	3.7		4,732	3.8	228		8,481	3.4
VII.Special income		318	0.3		2	0.0	(315)		997	0.4
Ⅷ.Special losses		821	0.7		773	0.6	(47)		4,335	1.7
Income before income taxes		4,001	3.3		3,960	3.2	(40)		5,143	2.1
Income taxes:										
Current income taxes	1,556			1,641				1,606		
Deferred income taxes	208	1,764	1.5	(21)	1,620	1.3	(143)	(96)	1,510	0.6
Net income		2,236	1.8		2,340	1.9	103		3,633	1.5

#### Non-Consolidated Statement of Changes in Net Assets for the Interim Term Ended August 31, 2006 (Fractional amounts less than one million yen are discarded)

										(1 11111110113)
	Shareholders' Equity									
		Capital surplus Retained earnings								
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings			_	Total
						General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	shareholders' equity
Balance at February 28, 2006	26,867	26,292	892	27,184	681	8,611	3,405	12,697	(166)	66,582
Change of items during the interim period										
Fund for general reserve						1,900	(1,900)	-		_
Dividends from surplus							(491)	(491)		(491)
Net income							2,236	2,236		2,236
Repurchase of treasury stock									(1)	(1)
Disposal of treasury stock			11	11					116	128
Net changes of items other than										
shareholders' equity										
Total changes of items during the interim period	_	_	11	11	_	1,900	(154)	1,745	115	1,872
Balance at August 31, 2006	26,867	26,292	903	27,196	681	10,511	3,250	14,442	(51)	68,455

	Valuation and Translation Adjustments	Total net assets
	Net unrealized gains on securities	
Balance at February 28, 2006	1,432	68,014
Change of items during the interim period		
Fund for general reserve		_
Dividends from surplus		(491)
Net income		2,236
Repurchase of treasury stock		(1)
Disposal of treasury stock		128
Net changes of items other than		
shareholders' equity	(247)	(247)
Total changes of items during the interim period	(247)	1,625
Balance at August 31, 2006	1,184	69,640

#### Non-Consolidated Statement of Changes in Net Assets for the Interim Term Ended August 31, 2007 (Fractional amounts less than one million yen are discarded)

	Shareholders' Equity									(1 1111110113)
		C	apital surpli	JS	Retained earnings					
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings			_	Total
						General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	shareholders' equity
Balance at February 28, 2007	26,867	26,623	903	27,527	681	10,511	4,154	15,346	(54)	69,687
Change of items during the interim period										
Fund for general reserve						2,300	(2,300)	_		_
Dividends from surplus							(576)	(576)		(576)
Net income							2,340	2,340		2,340
Repurchase of treasury stock									(2)	(2)
Net changes of items other than										
shareholders' equity										
Total changes of items during the interim period	_	_	_	_	_	2,300	(536)	1,763	(2)	1,761
Balance at August 31, 2007	26,867	26,623	903	27,527	681	12,811	3,617	17,110	(56)	71,448

	Valuation and Translation Adjustments	Total net assets
	Net unrealized gains on securities	
Balance at February 28, 2007	975	70,662
Change of items during the interim period		
Fund for general reserve		_
Dividends from surplus		(576)
Net income		2,340
Repurchase of treasury stock		(2)
Net changes of items other than		
shareholders' equity	(401)	(401)
Total changes of items during the interim period	(401)	1,359
Balance at August 31, 2007	573	72,022

#### Non-Consolidated Statement of Changes in Net Assets for the Interim Term Ended February 28, 2007 (Fractional amounts less than one million yen are discarded)

	Shareholders' Equity									
		С	apital surpli	JS	Retained earnings					
	Common stock	A al aliti a a l	Other	Tatal	reserve	Other retained earnings			<b> </b>	Total
		Additional paid-in capital	Other capital surplus	capital surplus		General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	shareholders' equity
Balance at February 28, 2006	26,867	26,292	892	27,184	681	8,611	3,405	12,697	(166)	66,582
Change of items during the period										
Issuance of shares		331		331						331
Fund for general reserve						1,900	(1,900)	_		_
Dividends from surplus							(491)	(491)		(491)
Dividends from surplus (interim dividends)							(492)	(492)		(492)
Net income							3,633	3,633		3,633
Repurchase of treasury stock									(4)	(4)
Disposal of treasury stock			11	11					116	128
Net changes of items other than										
shareholders' equity										
Total changes of items during the period	_	331	11	343	_	1,900	748	2,648	112	3,104
Balance at February 28, 2007	26,867	26,623	903	27,527	681	10,511	4,154	15,346	(54)	69,687

	Valuation and Translation Adjustments	Total net assets	
	Net unrealized gains on securities		
Balance at February 28, 2006	1,432	68,014	
Change of items during the period			
Issuance of shares		331	
Fund for general reserve		_	
Dividends from surplus		(491)	
Dividends from surplus (interim dividends)		(492)	
Net income		3,633	
Repurchase of treasury stock		(4)	
Disposal of treasury stock		128	
Net changes of items other than			
shareholders' equity	(456)	(456)	
Total changes of items during the period	(456)	2,647	
Balance at February 28, 2007	975	70.662	