

Consolidated Third-Quarter Financial Results

for the Fiscal Year Ending March 31, 2008 (April 1, 2007 to March 31, 2008)

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 Stock Code: 2810
 Stock exchange listing (Section): Tokyo Stock Exchange (First Section)
 Osaka Securities Exchange (First Section)
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(Amounts of less than one million yen are rounded to the nearest million yen)

1. Consolidated Third-Quarter Financial Results (April 1, 2007 - December 31, 2007)

(1) Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income	
	Million yen	(%)	Million yen	(%)	Million yen	(%)
Nine months ended Dec. 2007	181,257	0.1	8,601	3.3	8,986	6.1
Nine months ended Dec. 2006	181,078	22.4	8,330	36.5	8,468	27.6
Year ended Mar. 2007	232,478	–	8,260	–	8,872	–

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	(%)	Yen	Yen
Nine months ended Dec. 2007	3,876	(22.5)	35.30	–
Nine months ended Dec. 2006	5,001	35.2	45.55	–
Year ended Mar. 2007	4,834	–	44.04	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	(%)	Yen
Nine months ended Dec. 2007	237,301	183,441	76.9	1,661.82
Nine months ended Dec. 2006	247,291	191,900	75.5	1,700.53
Year ended Mar. 2007	245,136	191,730	76.0	1,697.70

(3) Consolidated Cash Flows Position

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Nine months ended Dec. 2007	6,088	(11,395)	(3,895)	26,809
Nine months ended Dec. 2006	6,889	(21,227)	(2,242)	30,182
Year ended Mar. 2007	13,701	(22,262)	(2,157)	36,057

2. Consolidated Business Performance Forecasts for the Fiscal Year Ending March 2008
(April 1, 2007 - March 31, 2008) [Reference]

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income	
	Million yen	(%)	Million yen	(%)	Million yen	(%)
Full year	239,000	2.8	8,800	6.5	9,500	7.1

	Net income		Net income per share
	Million yen	(%)	Yen
Full year	4,300	(11.1)	39.17

3. Other

- (i) Transfer of important subsidiaries during the period (transfer of specific subsidiaries in accordance with changes in the scope of consolidation): None
- (ii) Adoption of a simplified method in accounting procedures: Yes
- (iii) Change in accounting method from the latest consolidated fiscal year: None

[Note: For details please refer to “Qualitative information, financial statements, etc.” in “4. Other” on page 4.]

(Reference) Non-Consolidated Business Performance

1. Non-Consolidated Third-Quarter Financial Results (April 1, 2007 - December 31, 2007)

(1) Non-Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income	
	Million yen	(%)	Million yen	(%)	Million yen	(%)
Nine months ended Dec. 2007	131,692	1.7	8,948	19.4	11,488	38.0
Nine months ended Dec. 2006	129,505	2.7	7,497	42.2	8,327	35.3
Year ended Mar. 2007	165,973	–	7,442	–	8,841	–

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	(%)	Yen	Yen
Nine months ended Dec. 2007	7,132	32.9	64.97	–
Nine months ended Dec. 2006	5,368	47.2	48.90	–
Year ended Mar. 2007	5,623	–	51.22	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	(%)	Yen
Nine months ended Dec. 2007	215,665	179,676	83.3	1,636.73
Nine months ended Dec. 2006	217,860	180,159	82.7	1,641.05
Year ended Mar. 2007	217,278	180,193	82.9	1,641.38

2. Non-Consolidated Business Performance Forecasts for the Fiscal Year Ending March 2008

(April 1, 2007 - March 31, 2008)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income	
	Million yen	(%)	Million yen	(%)	Million yen	(%)
Full year	173,000	4.2	8,800	18.3	11,800	33.5

	Net income		Net income per share
	Million yen	(%)	Yen
Full year	7,300	29.8	66.50

*Explanations and other special notes concerning the appropriate use of business performance forecasts

The consolidated and non-consolidated business performance forecasts given in this document are based on the assumptions, prospects, and business plan for the future, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For details of business performance forecasts, please refer to “3. Qualitative information concerning the consolidated business performance forecasts” on the page 3 of “Qualitative information, financial statements, etc.”

[Qualitative information, financial statements, etc.]

1. Qualitative information concerning the consolidated operating results

Looking at the domestic economy during the third quarter of the term under review, business continued to sustain an overall recovery, with increasing capital expenditure and improving employment conditions in the corporate sector. Nonetheless, the subprime problem and the price of crude oil are gradually emerging as causes for considerable concern.

In these circumstances, the House Foods Group continued to achieve strong sales of Ukon No Chikara, thanks to aggressive sales activities. Sales of products such as curry roux and retort pouched foods were steady, while in contrast, the C1000 series struggled in the face of intensified competition. The Group's consolidated net sales for the third-quarter stood at 181,257 million yen, a 0.1 percent increase in comparison to the same term of the previous fiscal year.

In terms of profit, efforts to manage marketing costs effectively in an environment of high material prices produced a 3.3% increase in consolidated operating income from the year-ago period, to 8,601 million yen. Consolidated ordinary income rose to 8,986 million yen, a 6.1% increase over the year-ago period. Since the Group posted an impairment loss on fixed assets and realized a gain on the sale of underutilized real estate in the same term of the previous fiscal year, consolidated net income in the third-quarter was 3,876 million yen, a 22.5% decline in comparison to the same term of the previous fiscal year.

2. Qualitative information concerning the consolidated financial situation

The consolidated financial situation during the third quarter of the term under review is as follows.

Total assets were 237,301 million yen, a decrease of 7,836 million yen in comparison to the end of the previous consolidated fiscal year.

Current assets declined to 93,597 million yen, down 3,456 million yen, as cash and bank deposits decreased with the acquisition of additional shares in a consolidated subsidiary, House Wellness Foods Corporation, offsetting an increase in notes and accounts receivable. Fixed assets stood at 143,703 million yen, a decrease of 4,380 million yen, reflecting a reduced valuation of investment securities following the stock market slump, overcoming a rise in goodwill associated with the acquisition of additional House Wellness Foods Corporation shares.

Total liabilities reached 53,859 million yen, an increase of 454 million yen in comparison to the end of the previous consolidated fiscal year. With the increased notes and accounts payable, current liabilities amounted to 46,967 million yen, an increase of 3,636 million yen. However, a decline in the reserve for retirement benefits and deferred tax liabilities reduced long-term liabilities to 6,893 million yen, a decrease of 3,183 million yen.

Net assets were 183,441 million yen, a decrease of 8,289 million yen in comparison to the end of the previous consolidated fiscal year. This result reflected a decline in net unrealized gains on available-for-sale securities and minority interests.

As a result, the equity ratio increased from 76.0% to 76.9% at the end of the previous fiscal year, and net assets per share decreased from 1,697.70 yen to 1,661.82 yen.

3. Qualitative information concerning consolidated business performance forecasts

With respect to consolidated business performance forecasts, although there are some uncertainties such as the effect of price revisions and trends in material prices, no change has been made to the consolidated business performance forecasts announced on November 13, 2007.

4. Other

- (1) Transfers of important subsidiaries during this period (transfers of specific subsidiaries in accordance with changes in the scope of consolidation)

None

- (2) Adoption of convenient accounting methods

Corporate tax is calculated using the estimated annual tax rate based on a normal effective statutory tax rate.

- (3) Changes in accounting methods from the latest consolidated fiscal year

None

5. Summary of Quarterly Consolidated Financial Statements

(1) Summary of Quarterly Consolidated Balance Sheets

(Million yen)

Item	Q3 of previous term As of Dec. 31, 2006		Q3 of current term As of Dec. 31, 2007		Change		(Reference) Previous fiscal year As of Mar. 31, 2007	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Assets								
Current assets	97,336	39.4	93,597	39.4	(3,739)	(3.8)	97,053	39.6
Cash and bank deposits	30,182		26,809		(3,373)	(11.2)	36,057	
Notes and accounts receivable – trade	48,695		46,551		(2,144)	(4.4)	41,781	
Marketable securities	2,047		3,454		1,407	68.8	3,021	
Inventories	10,281		10,607		326	3.2	10,766	
Deferred tax assets	3,059		3,285		226	7.4	3,270	
Other current assets	3,080		2,899		(181)	(5.9)	2,166	
Allowance for doubtful accounts	(8)		(8)		(1)	8.0	(7)	
Fixed assets	149,955	60.6	143,703	60.6	(6,252)	(4.2)	148,083	60.4
Property, plant and equipment	64,013	25.9	62,960	26.5	(1,053)	(1.6)	63,347	25.8
Buildings and structures	22,323		21,177		(1,146)	(5.1)	21,120	
Machinery, equipment and vehicles	13,406		12,953		(452)	(3.4)	13,635	
Land	26,965		27,121		156	0.6	27,145	
Construction in progress	90		438		348	386.6	223	
Other tangible fixed assets	1,230		1,270		40	3.3	1,224	
Intangible fixed assets	13,874	5.6	18,416	7.8	4,542	32.7	13,554	5.5
Goodwill	11,909		15,532		3,623	30.4	11,220	
Software	968		1,523		555	57.4	950	
Software in progress	830		1,196		366	44.1	1,216	
Other intangible fixed assets	167		165		(2)	(1.3)	168	
Investments and other assets	72,068	29.1	62,327	26.3	(9,741)	(13.5)	71,182	29.0
Investment securities	65,719		54,288		(11,431)	(17.4)	64,577	
Long-term loans receivable	45		48		3	7.8	40	
Deferred tax assets	331		228		(103)	(31.2)	233	
Long-term time deposits	2,600		2,600		–	–	2,600	
Prepaid pension cost	846		2,768		1,922	227.1	1,253	
Other investments	2,716		2,592		(123)	(4.5)	2,686	
Allowance for doubtful accounts	(189)		(197)		(8)	4.3	(206)	
Total assets	247,291	100.0	237,301	100.0	(9,991)	(4.0)	245,136	100.0

(Million yen)

Item	Q3 of previous term		Q3 of current term		Change		(Reference)	
	As of Dec. 31, 2006		As of Dec. 31, 2007				Previous fiscal year	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Liabilities								
Current liabilities	46,482	18.8	46,967	19.8	484	1.0	43,330	17.7
Notes and accounts payable trade	25,095		24,262		(833)	(3.3)	22,270	
Short-term loans payable	142		572		431	303.9	230	
Accounts payable other	14,630		16,237		1,607	11.0	14,144	
Accrued income taxes	2,948		2,149		(799)	(27.1)	2,122	
Reserve for bonuses to directors and corporate auditors	31		34		3	9.6	81	
Other current liabilities	3,637		3,712		75	2.1	4,484	
Long-term liabilities	8,909	3.6	6,893	2.9	(2,016)	(22.6)	10,075	4.1
Reserve for retirement benefits	3,333		2,864		(469)	(14.1)	3,219	
Reserve for retirement benefits for directors and corporate auditors	–		13		13	–	32	
Long-term accounts payable other	840		845		5	0.6	840	
Deferred tax liabilities	4,072		2,572		(1,500)	(36.8)	5,329	
Other long-term liabilities	664		598		(66)	(9.9)	654	
Total liabilities	55,391	22.4	53,859	22.7	(1,532)	(2.8)	53,406	21.8
Net assets								
Shareholders' equity	176,710	71.5	176,785	74.5	75	0.0	176,540	72.0
Common stock	9,948	4.0	9,948	4.2	–	–	9,948	4.1
Capital surplus	23,868	9.7	23,868	10.1	–	–	23,868	9.7
Retained earnings	144,191	58.3	144,278	60.8	86	0.1	144,025	58.8
Treasury stock	(1,298)	(0.5)	(1,309)	(0.6)	(11)	0.9	(1,301)	(0.5)
Valuation and translation adjustments	9,980	4.0	5,645	2.4	(4,335)	(43.4)	9,836	4.0
Net unrealized gain on available-for-sale securities	10,147	4.1	5,886	2.5	(4,261)	(42.0)	9,935	4.1
Foreign currency translation adjustments	(167)	(0.1)	(241)	(0.1)	(74)	44.1	(98)	(0.0)
Minority interests	5,211	2.1	1,012	0.4	(4,199)	(80.6)	5,354	2.2
Total net assets	191,900	77.6	183,441	77.3	(8,459)	(4.4)	191,730	78.2
Total liabilities and net assets	247,291	100.0	237,301	100.0	(9,991)	(4.0)	245,136	100.0

(2) Summary of Quarterly Consolidated Statements of Income

(Million yen)

Item	Q3 of previous term		Q3 of current term		Change		(Reference)	
	Apr. 1 – Dec. 31, 2006		Apr. 1 – Dec. 31, 2007				Previous fiscal year	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Net sales	181,078	100.0	181,257	100.0	179	0.1	232,478	100.0
Cost of sales	94,417	52.1	94,511	52.1	94	0.1	122,282	52.6
Gross profit	86,661	47.9	86,746	47.9	85	0.1	110,196	47.4
Selling, general and administrative expenses	78,331	43.3	78,145	43.1	(186)	(0.2)	101,936	43.8
Operating income	8,330	4.6	8,601	4.7	271	3.3	8,260	3.6
Non-operating income	699	0.4	803	0.4	104	14.9	1,307	0.6
Interest and dividend received	440		485		45	10.2	822	
Other	259		318		59	22.9	485	
Non-operating expenses	561	0.3	418	0.2	(143)	(25.5)	695	0.3
Interest expenses	8		23		15	187.3	15	
Equity in losses of affiliated companies	360		175		(184)	(51.3)	452	
Other	194		220		27	13.8	228	
Ordinary income	8,468	4.7	8,986	5.0	519	6.1	8,872	3.8
Extraordinary gains	1,172	0.6	259	0.1	(913)	(77.9)	1,282	0.6
Gain on sale of fixed assets	892		12		(879)	(98.6)	1,000	
Reversal of allowance for doubtful accounts	28		7		(21)	(74.5)	29	
Gain on sale of investment securities	244		16		(229)	(93.6)	245	
Gain on sale of affiliated companies' stocks	-		220		220	-	-	
Other	8		5		(3)	(40.9)	8	
Extraordinary losses	637	0.4	897	0.5	259	40.7	815	0.4
Loss on disposal of fixed assets	185		140		(45)	(24.5)	331	
Loss on write-down of investment securities	386		364		(23)	(5.8)	386	
Loss on write-down of golf club memberships	2		23		20	845.8	20	
Impairment loss on fixed assets	-		361		361	-	-	
Other	64		10		(54)	(84.8)	78	
Income before income taxes and minority interests	9,003	5.0	8,349	4.6	(654)	(7.3)	9,338	4.0
Income taxes	2,942	1.6	3,969	2.2	1,027	34.9	3,311	1.4
Minority interests	1,060	0.6	504	0.3	(555)	(52.4)	1,193	0.5
Net income	5,001	2.8	3,876	2.1	(1,125)	(22.5)	4,834	2.1

(3) Summary of Quarterly Consolidated Statements of Changes in Net Assets

Third quarter of the current term (Apr. 1, 2007 - Dec. 31, 2007)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007	9,948	23,868	144,025	(1,301)	176,540
Changes during the current term					
Dividends as profit appropriation			(2,415)		(2,415)
Dividends as profit appropriation (interim dividends)			(1,208)		(1,208)
Net income			3,876		3,876
Acquisition of treasury stock				(8)	(8)
Net changes during the current term other than shareholders' equity					-
Total changes during the current term	-	-	253	(8)	245
Balance as of December 31, 2007	9,948	23,868	144,278	(1,309)	176,785

(Million yen)

	Valuation and translation adjustments			Minority interests	Total net assets
	Net unrealized gain (loss) on available-for-sale securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of March 31, 2007	9,935	(98)	9,836	5,354	191,730
Changes during the current term					
Dividends as profit appropriation					(2,415)
Dividends as profit appropriation (interim dividends)					(1,208)
Net income					3,876
Acquisition of treasury stock					(8)
Net changes during the current term other than shareholders' equity	(4,049)	(143)	(4,192)	(4,342)	(8,534)
Total changes during the current term	(4,049)	(143)	(4,192)	(4,342)	(8,289)
Balance as of December 31, 2007	5,886	(241)	5,645	1,012	183,441

(4) Summary of Quarterly Consolidated Statements of Cash Flows

(Million yen)

Item	Q3 of previous term	Q3 of current term	(Reference)
	Apr. 1-Dec. 31, 2006	Apr. 1-Dec. 31, 2007	Previous fiscal year
	Amount	Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interests	9,003	8,349	9,338
Depreciation and amortization	3,870	4,161	5,370
Amortization of negative goodwill	2,073	2,409	2,764
Impairment loss	–	361	–
Equity in net (gains) losses of affiliated companies	360	175	452
Loss on write-down of investment securities and golf club membership	388	364	404
Decrease in allowance for doubtful accounts	(19)	(8)	(2)
Decrease in reserve for retirement benefits	(736)	(355)	(850)
Increase (decrease) in reserve for bonuses for directors and corporate auditors	31	(47)	81
Decrease in reserve for retirement benefits for directors and corporate auditors	(1,006)	(19)	(974)
Interest and dividend income	(440)	(485)	(822)
Interest expenses	8	23	15
Foreign exchange gains (losses)	(7)	9	(3)
Gain on sale of affiliated companies' stocks & marketable and investment securities	(244)	(235)	(245)
Gain on sale of fixed assets	(888)	(12)	(992)
Loss on disposal of fixed assets	185	140	331
Increase in trade receivables	(8,551)	(4,789)	(1,630)
Increase in inventories	1,009	153	527
Increase in trade payables	4,109	2,174	1,284
Decrease in accrued bonuses	(322)	(347)	(6)
Increase in other assets	(1,793)	(2,627)	(1,318)
Increase (decrease) in other liabilities	1,808	(227)	1,789
Bonuses paid to directors and corporate auditors	(81)	–	(81)
Subtotal	8,756	9,165	15,430
Interest and dividends received	792	845	952
Interest paid	(7)	(24)	(12)
Income taxes paid	(2,652)	(3,898)	(2,668)
Net cash provided by operating activities	6,889	6,088	13,701
II Cash flows from investing activities			
Payment for acquisition of marketable securities	–	(1,398)	(25)
Proceeds from sale of marketable securities	2,130	2,600	2,175
Payment for acquisition of property, plant and equipment	(3,919)	(2,447)	(4,790)
Proceeds from sale of property, plant and equipment	1,162	16	1,459
Payment for acquisition of intangible fixed assets	(898)	(884)	(1,266)
Payment for acquisition of investment securities	(158)	(964)	(441)
Proceeds from sale of investment securities	417	3,040	418
Payment for acquisition of affiliated companies' stocks accompanying changes in scope of consolidation	(19,800)	–	(19,800)
Payment to minority shareholders for additional acquisition of consolidated subsidiaries' stocks	–	(10,805)	–
Proceeds from liquidation of subsidiary	3	–	3
Additional investment in affiliated companies	(164)	(600)	(164)
Proceeds from collection of loans receivable	–	46	170
Net cash used in investing activities	(21,227)	(11,395)	(22,262)
III Cash flows from financing activities			
Proceeds from short-term borrowings	142	721	230
Payment for short-term borrowings	–	(381)	–
Payment for acquisition of treasury stock	(7)	(8)	(10)
Dividends paid	(2,415)	(3,456)	(2,415)
Proceeds from issuance of stock to minority shareholders	41	124	41
Dividends paid to minority shareholders	(3)	(896)	(3)
Net cash used in financing activities	(2,242)	(3,895)	(2,157)
IV Effect of exchange rate changes on cash and cash equivalents	10	(46)	22
V Decrease in cash and cash equivalents	(16,570)	(9,248)	(10,696)
VI Cash and cash equivalents at beginning of period	46,753	36,057	46,753
VII Cash and cash equivalents at end of period	30,182	26,809	36,057

(5) Segment Information by Operating Segment

Third quarter of the previous term (Apr. 1, 2006 - Dec. 31, 2006 in the fiscal year ended March 2007)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales and operating profit or loss					
Net sales					
(1) Sales – outside customers	172,945	8,133	181,078	–	181,078
(2) Sales and transfer – inter-segment	2	8,525	8,527	(8,527)	–
Total	172,947	16,658	189,605	(8,527)	181,078
Operating expenses	163,536	15,968	179,505	(6,756)	172,748
Operating income	9,411	690	10,101	(1,771)	8,330
II. Assets, depreciation cost, and capital expenditure					
Assets	254,988	7,209	262,198	(14,907)	247,291
Depreciation cost	3,737	133	3,870	–	3,870
Capital expenditure	3,586	218	3,804	–	3,804

Third quarter of the current term (Apr. 1, 2007 - Dec. 31, 2007 in the fiscal year ended March 2008)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales and operating profit or loss					
Net sales					
(1) Sales – outside customers	172,770	8,487	181,257	–	181,257
(2) Sales and transfer – inter-segment	0	10,211	10,211	(10,211)	–
Total	172,770	18,698	191,468	(10,211)	181,257
Operating expenses	162,887	17,979	180,866	(8,210)	172,656
Operating income	9,883	720	10,603	(2,001)	8,601
II. Assets, depreciation cost, and capital expenditure					
Assets	252,603	7,781	260,384	(23,083)	237,301
Depreciation cost	3,991	170	4,161	–	4,161
Capital expenditure	4,592	168	4,760	–	4,760

(Reference) Previous consolidated fiscal year (April. 1, 2006 - Mar. 31, 2007 in the fiscal year ended March 2007)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales and operating profit or loss					
Net sales					
(1) Sales – outside customers	221,832	10,645	232,478	–	232,478
(2) Sales and transfer – inter-segment	3	10,920	10,924	(10,924)	–
Total	221,836	21,566	243,401	(10,924)	232,478
Operating expenses	211,989	20,791	232,780	(8,562)	224,218
Operating income	9,846	774	10,621	(2,361)	8,260
II. Assets, depreciation cost, and capital expenditure					
Assets	253,722	7,201	260,923	(15,787)	245,136
Depreciation cost	5,182	188	5,370	–	5,370
Capital expenditure	5,033	345	5,378	–	5,378

Notes:

1. Operating segments are classified by product category and product similarity.
2. Major products by operating segment
 - (1) Food: Food, beverages and restaurants
 - (2) Transport and Warehouse Operations: Transport and warehousing
3. Because all operating expenses are allocated to each operating segment, no undistributed operating expense exists.
4. Insurance agency business that was previously recognized as “Other Business” is included in the “Transport and Warehouse Operations” operating segment since the importance of this segment is very small.

(Reference)

Summary of Quarterly Non-Consolidated Financial Statements

(1) Summary of Quarterly Non-Consolidated Balance Sheets

(Million yen)

Item	Q3 of previous term As of Dec. 31, 2006		Q3 of current term As of Dec. 31, 2007		Change		(Reference) Previous fiscal year As of Mar. 31, 2007	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Assets								
Current assets	71,460	32.8	69,246	32.1	(2,215)	(3.1)	72,103	33.2
Cash and bank deposits	19,519		16,812		(2,707)	(13.9)	25,209	
Notes receivable	31		21		(10)	(31.2)	28	
Accounts receivable trade	37,275		36,675		(600)	(1.6)	31,415	
Marketable securities	2,002		2,500		498	24.9	2,996	
Manufactured articles	5,542		5,378		(164)	(3.0)	5,601	
Raw materials	1,488		1,670		182	12.2	1,631	
Work in process	535		758		223	41.7	539	
Supplies	546		544		(2)	(0.3)	636	
Deferred tax assets	1,738		1,964		227	13.0	1,965	
Other current assets	2,793		2,932		139	5.0	2,088	
Allowance for doubtful accounts	(8)		(8)		(1)	8.4	(7)	
Fixed assets	146,400	67.2	146,420	67.9	20	0.0	145,176	66.8
Property, plant and equipment	44,469	20.4	42,156	19.5	(2,313)	(5.2)	43,763	20.1
Buildings	14,737		14,223		(514)	(3.5)	14,577	
Structures	933		835		(98)	(10.5)	921	
Machinery and equipment	10,045		8,332		(1,712)	(17.0)	9,592	
Vehicles and transportation equipment	91		82		(9)	(10.0)	95	
Tools, furniture and fixtures	720		734		15	2.1	736	
Land	17,889		17,788		(102)	(0.6)	17,788	
Construction in progress	55		161		107	195.3	55	
Intangible fixed assets	1,661	0.8	2,537	1.2	877	52.8	2,043	0.9
Telephone subscription rights	45		45		(0)	(0.1)	45	
Software	768		1,281		513	66.7	765	
Software in progress	830		1,196		366	44.1	1,216	
Other intangible fixed assets	17		15		(2)	(10.9)	17	
Investments and other assets	100,270	46.0	101,726	47.2	1,456	1.5	99,369	45.7
Investment securities	60,537		49,117		(11,420)	(18.9)	59,348	
Affiliated companies' stocks	30,446		41,538		11,091	36.4	30,446	
Equity investments in non-stock companies	1,130		1,130		-	-	1,130	
Long-term loans receivable	3,677		3,579		(98)	(2.7)	3,579	
Guarantee money deposits	1,201		1,178		(23)	(1.9)	1,200	
Long-term prepaid expenses	18		12		(7)	(37.2)	17	
Long-term time deposits	2,500		2,500		-	-	2,500	
Prepaid pension cost	846		2,768		1,922	227.1	1,253	
Other investments	69		69		-	-	69	
Allowance for doubtful accounts	(155)		(164)		(9)	5.5	(173)	
Total assets	217,860	100.0	215,665	100.0	(2,195)	(1.0)	217,278	100.0

(Million yen)

Item	Q3 of previous term		Q3 of current term		Change		(Reference)	
	As of Dec. 31, 2006		As of Dec. 31, 2007				Previous fiscal year	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Liabilities								
Current liabilities	32,534	14.9	32,316	15.0	(218)	(0.7)	30,660	14.1
Notes payable	2,727		2,199		(529)	(19.4)	2,189	
Accounts payable trade	13,355		13,802		447	3.3	12,140	
Accounts payable other	11,778		12,231		453	3.8	11,632	
Accrued income taxes	2,742		1,918		(825)	(30.1)	1,906	
Accrued expenses	1,135		1,298		163	14.3	2,057	
Deposits	603		705		102	17.0	141	
Reserve for bonuses to directors and corporate auditors	30		32		2	5.0	73	
Other current liabilities	164		133		(31)	(19.0)	523	
Long-term liabilities	5,167	2.4	3,673	1.7	(1,494)	(28.9)	6,425	3.0
Long-term accounts payable other	840		840		–	–	840	
Guaranty deposit	263		269		6	2.3	263	
Deferred tax liabilities	4,063		2,563		(1,500)	(36.9)	5,321	
Total liabilities	37,701	17.3	35,989	16.7	(1,712)	(4.5)	37,086	17.1
Net assets								
Shareholders' equity	170,034	78.0	173,786	80.6	3,752	2.2	170,285	78.4
Common stock	9,948	4.6	9,948	4.6	–	–	9,948	4.6
Capital surplus	23,815	10.9	23,815	11.0	–	–	23,815	11.0
Capital reserve	23,815		23,815		–	–	23,815	
Retained earnings	137,568	63.1	141,332	65.5	3,763	2.7	137,823	63.4
Earned reserve	2,487		2,487		–	–	2,487	
Other retained earnings	135,081		138,845		3,763	2.8	135,335	
Contingent reserve	127,900		129,900		2,000	1.6	127,900	
Earned surplus carried forward	7,181		8,945		1,763	24.6	7,435	
Treasury stock	(1,298)	(0.6)	(1,309)	(0.6)	(11)	0.9	(1,301)	(0.6)
Valuation and translation adjustments	10,125	4.6	5,890	2.7	(4,235)	(41.8)	9,908	4.6
Net unrealized gain on available-for-sale securities	10,125		5,890		(4,235)	(41.8)	9,908	
Total net assets	180,159	82.7	179,676	83.3	(483)	(0.3)	180,193	82.9
Total liabilities and net assets	217,860	100.0	215,665	100.0	(2,195)	(1.0)	217,278	100.0

(2) Summary of Quarterly Non-Consolidated Statements of Income

(Million yen)

Item	Q3 of previous term		Q3 of current term		Change		(Reference)	
	Apr. 1 – Dec. 31, 2006		Apr. 1 – Dec. 31, 2007				Previous fiscal year	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Net sales	129,505	100.0	131,692	100.0	2,186	1.7	165,973	100.0
Cost of sales	58,923	45.5	59,338	45.1	415	0.7	76,321	46.0
Gross profit	70,583	54.5	72,354	54.9	1,771	2.5	89,652	54.0
Selling, general and administrative expenses	63,086	48.7	63,406	48.1	320	0.5	82,211	49.5
Operating income	7,497	5.8	8,948	6.8	1,451	19.4	7,442	4.5
Non-operating income	1,035	0.8	2,825	2.1	1,791	173.0	1,688	1.0
Interest and dividend received	619		2,391		1,772	286.2	1,018	
Income from real-estate leasing	310		312		1	0.5	413	
Other	105		122		17	16.0	257	
Non-operating expenses	205	0.2	285	0.2	80	39.2	289	0.2
Interest expenses	6		6		0	5.3	8	
Expense of real-estate leasing	87		78		(9)	(10.6)	114	
Other	112		201		89	79.9	167	
Ordinary income	8,327	6.4	11,488	8.7	3,161	38.0	8,841	5.3
Extraordinary gains	1,160	0.9	26	0.0	(1,134)	(97.7)	1,266	0.8
Gain on sale of fixed assets	889		10		(879)	(98.8)	995	
Reversal of allowance for doubtful accounts	26		0		(26)	(99.2)	26	
Gain on sale of investment securities	244		16		(229)	(93.6)	244	
Extraordinary losses	557	0.4	841	0.6	284	50.9	627	0.4
Loss on disposal of fixed assets	164		93		(71)	(43.4)	214	
Loss on write-down of investment securities	360		364		4	1.0	360	
Loss on write-down of golf club memberships	2		23		20	845.8	20	
Impairment loss on fixed assets	–		361		361	–	–	
Other	31		1		(30)	(96.0)	33	
Income before income taxes	8,929	6.9	10,673	8.1	1,744	19.5	9,480	5.7
Income taxes	3,561	2.7	3,541	2.7	(20)	(0.6)	3,857	2.3
Net income	5,368	4.1	7,132	5.4	1,764	32.9	5,623	3.4