

Summary of Settlement of Consolidated Accounts for the Fiscal Year ended March 31, 2008

May 12, 2008

Isetan Mitsukoshi Holdings Ltd. (Results of Isetan Company Limited)

Securities code: 3099 (Listed on the First Section of Tokyo Stock Exchange)

(URL: <http://www.imhds.co.jp>)

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Scheduled date of commencement of payment of cash dividends: June 23, 2008

(Figures are rounded down to the nearest million yen)

1. Consolidated Business Results for Fiscal 2007 (From April 1, 2007, to March 31, 2008)

(1) Results of consolidated operations

(Percentage figures indicate changes from the previous year)

	Net Sales		Operating Income		Recurring Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2007	785,839	0.5	33,417	3.6	33,685	0.8	13,760	(24.8)
FY2006	781,798	2.9	32,252	7.3	33,416	8.1	18,291	(2.2)

	Net Income per Share (Basic)	Net Income per Share (Diluted)	Return on Equity	Recurring Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
FY2007	62.49	62.41	6.8	7.2	4.3
FY2006	82.43	82.02	9.3	6.9	4.1

(Reference) Equity in earnings of affiliates: FY2007: 139 million yen, FY2006: 454 million yen

(2) Consolidated financial position

	Total Assets	Net Assets	Shareholder's Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
FY2007	466,542	218,716	43.6	924.16
FY2006	474,895	213,194	41.8	901.87

(Reference) Shareholders' equity: FY2007: 203,643 million yen, FY2006: 198,500 million yen

(3) Consolidated cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of the Year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2007	28,753	(22,643)	(11,815)	27,208
FY2006	35,519	(957)	(38,834)	33,023

2. Dividends

(Record date)	Cash Dividend per Share (Yen)			Total Cash Dividends (Full Year)	Payout Ratio (Consolidated)	Cash Dividends to Net Assets (Consolidated)
	Interim	Year-end	Full Year			
	Yen	Yen	Yen	Millions of yen	%	%
FY2006	5.00	9.00	14.00	3,078	17.0	1.6
FY2007	5.00	9.00	14.00	3,084	22.4	1.5

3. Others

- (1) Changes in significant subsidiaries during the year (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Changes in accounting policies concerning preparation of consolidated financial statements
- 1) Changes in line with revision to accounting standards: Yes
- 2) Other changes: Yes
- (3) Number of shares issued and outstanding (common stock)
- 1) Number of shares issued and outstanding at the end of the year (including treasury stock)
- FY2007: 220,356,581 shares FY2006: 225,179,103 shares
- 2) Number of shares of treasury stock at the end of the year
- FY2007: 1,368 shares FY2006: 5,080,342 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Business Results for Fiscal 2007 (From April 1, 2007, to March 31, 2008)**

- (1) Results of non-consolidated operations (Percentage figures indicate changes from the previous year)

	Net Sales		Operating Income		Recurring Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2007	462,059	1.6	23,261	6.6	25,912	13.5	11,522	(7.0)
FY2006	454,951	2.4	21,823	9.0	22,832	5.6	12,383	(5.8)

	Net Income per Share (Basic)	Net Income per Share (Diluted)
	Yen	Yen
FY2007	52.32	52.26
FY2006	55.81	55.53

- (2) Non-consolidated financial position

	Total Assets	Net Assets	Shareholder's Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
FY2007	328,353	159,291	48.3	719.94
FY2006	333,255	156,760	46.9	710.78

(Reference) Shareholders' equity: FY2007: 158,643 million yen, FY2006: 156,442 million yen

Note:

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

1. Business Results

(1) Analysis of Business Results

1) Review of operations

During the year ended March 31, 2008 (fiscal 2007), the broadly based improvement of corporate results in Japan began to weaken, adversely affected by sharp increases in oil prices and the instability of the U.S. economy. Also, such factors as increases in interest rates and the termination of tax cuts cast a shadow over prospects for personal consumption.

In these circumstances, the Isetan Group implemented an action plan to attain the Group's 10-year vision launched in fiscal 2006. With this vision, the Group aims to be a "total life attendant" providing solutions for customers in every sphere of their lives. By offering both tangible and intangible solutions, Isetan endeavors to assist in alleviating any concerns a customer may have.

As a result, consolidated net sales amounted to ¥785,839 million, an increase of 0.5% compared with the previous year. Consolidated operating income increased 3.6% year on year to ¥33,417 million, reflecting higher consolidated net sales and cutting of expenses. Consolidated recurring income edged up 0.8% to ¥33,685 million. However, consolidated net income decreased 24.8% to ¥13,760 million owing to reporting of extraordinary losses.

2) Results by business segment

Department Stores

Even though fiscal 2006 of Iwataya Co., Ltd. was a 13-month period from March 2006 to March 2007, higher sales of Isetan Co., Ltd. and affiliated companies overseas resulted in an increase in segment sales in fiscal 2007.

Isetan Co., Ltd. is promoting the remodeling of the Isetan Main Store as a strategic investment. The basement floor for foods in the Main Building and a part of the Men's Building were remodeled and opened in June and September 2007, respectively. Sales of the Isetan Main Store surpassed the results for the previous year despite the decrease in the sales floor area owing to the remodeling work, and total sales of Isetan Co., Ltd., including the Isetan Main Store and all branch stores, exceeded the results for the previous year.

Shizuoka Isetan Co., Ltd. also recorded higher sales than for the previous year. Overseas, sales of department store subsidiaries in Singapore, Malaysia, and China increased. In May 2007 Chengdu Isetan, Isetan's fifth store in China, opened in Chengdu, Sichuan Province. Chengdu Isetan has gained popularity among local customers. Also, Shenyang Isetan Co., Ltd., established in June 2007 through investment by Isetan Co., Ltd., opened a store in February 2008.

Incidentally, Kokura Isetan Co., Ltd. was excluded from the scope of consolidation from fiscal 2007 as a result of stock transfer by Isetan Co., Ltd. Operation of Jinan Isetan Co., Ltd. in China has been suspended by a resolution of dissolution. Operation of Isetan of Japan Ltd. in Hong Kong has also been suspended. Since these two companies have no material impact on consolidated financial statements, they were excluded from the scope of consolidation from fiscal 2007.

As a result, segment sales were ¥720,425 million, an increase of 0.7% year on year, and operating income was ¥28,619 million, up 7.8%.

Credit & Finance

Revenues of Isetan I Card Co., Ltd. exceeded the previous year because card transaction volumes by the Isetan Group department stores increased for shopping operations.

As a result, segment sales were ¥14,706 million, an increase of 3.8% year on year, and operating income was ¥4,193 million, an increase of 1.1%.

Other Retail & Specialty Stores

In this segment, Queen's Isetan Co., Ltd. recorded higher sales than for the previous year as a result of vigorous efforts to expand sales, including the opening of the Hibarigaoka Store in May 2007 and the opening of

the first Queen's I stores in April 2007, signaling the debut of Queen's Isetan's new retail format for small stores located inside train stations. Mammina Co., Ltd. also achieved an increase in sales compared with the previous year thanks to the increased popularity of its Anna Sui brand.

As a result, segment sales were ¥61,106 million, a decrease of 1.0% year on year, and operating income was ¥585 million, a decline of 51.7%. It should be noted that the results for fiscal 2006 included the results of Barneys Japan Co., Ltd., which was excluded from the scope of consolidation as a result of the sale of the entire stake in Barneys Japan during fiscal 2006.

Other Businesses

Other businesses support the Group's operations by providing specialty services throughout the Isetan Group. The Group's logistics operations, building maintenance services, and human resources development and recruitment services are outsourced to Isetan Business Support Co., Ltd., Isetan Building Management Services Co., Ltd., and Isetan Career Design Co., Ltd., respectively.

Segment sales were ¥44,063 million, an increase of 9.7% year on year, and operating income was ¥452 million, an increase of 8.2%.

(2) Analysis of Financial Position

1) Assets, liabilities, and net assets

Total assets at the end of fiscal 2007 were ¥8,353 million lower than at the end of the previous year. This result reflected a decrease of ¥6,544 million in current assets, including a decrease of ¥6,044 million in cash and bank deposits, and a decrease of ¥9,734 million in investments in securities owing to fluctuations in fair value, and a decrease of ¥1,483 million in property and equipment despite an increase of ¥6,465 million in intangible fixed assets.

Total liabilities at the end of fiscal 2007 were ¥13,875 million lower than at the end of the previous year. This decrease was attributable to a decrease of ¥4,722 million in income taxes payable and a decrease of ¥3,388 million in reserve for accrued employees' retirement benefits in addition to a ¥6,772 million reduction in interest-bearing debt.

Total net assets at the end of fiscal 2007 were ¥5,521 million higher than at the end of the previous year. While net income amounted to ¥13,760 million, net unrealized gains on other securities decreased ¥6,573 million in line with declines in fair value of investments in securities, reflecting lackluster stock markets. Treasury stock amounting to ¥9,609 million was retired as of March 31, 2008.

2) Cash flows

Cash and cash equivalents at the end of fiscal 2007 were ¥27,208 million, a decrease of ¥5,815 million compared with the figure at the end of the previous year.

Cash flows from operating activities

Net cash provided by operating activities during fiscal 2007 amounted to ¥28,753 million, a decrease of ¥6,765 million compared with the previous year. This was attributable to an increase of ¥2,069 million in income taxes paid and a decrease of ¥87 million in payables for fiscal 2007 whereas an increase of ¥2,858 million in payables was recorded for fiscal 2006 because the last day of fiscal 2006 was a holiday for financial institutions.

Cash flows from investing activities

Net cash used in investing activities during fiscal 2007 amounted to ¥22,643 million, an increase of ¥21,686 million from the previous year. The main items were an increase of ¥9,547 million in payments for purchase of property and equipment because of an increase in capital investment and a decrease of ¥5,951 million in proceeds

from collection of fixed leasehold deposits.

Cash flows from financing activities

Net cash used in financing activities during fiscal 2007 amounted to ¥11,815 million, whereas net cash used in financing activities during fiscal 2006 amounted to ¥38,834 million. Major items of cash outlay were a reduction in interest-bearing debt and dividends paid.

(Reference) Cash flow indicators

	FY2003	FY2004	FY2005	FY2006	FY2007
Equity ratio (%)	36.2%	35.5%	39.5%	41.8%	43.6%
Market value equity ratio (%)	83.1%	67.3%	116.6%	95.2%	79.8%
Debt repayment period (years)	11.7	3.9	2.5	1.7	1.9
Interest coverage ratio (times)	5.5	25.5	29.8	34.6	25.0

Notes: Equity ratio: Shareholders' equity / Total assets

Market value equity ratio: Total market capitalization / Total assets

Debt repayment period: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

* All the above indicators are calculated on a consolidated basis.

* Total market capitalization is calculated by multiplying the closing share price on the final trading day of the period by the number of shares issued and outstanding (excluding treasury stock) as of the corresponding year-end. For fiscal 2007, the closing share price on March 25, 2008, is used.

* Operating cash flow equals cash flows from operating activities in the Consolidated Statements of Cash Flows. Interest-bearing debt includes all liabilities on which interest is paid stated in the Consolidated Balance Sheets. Interest payments equal interest expenses in the Consolidated Statements of Cash Flows.

2. Outline of the Group

The Isetan Group consists of Isetan Co., Ltd. (the Company) and its 27 consolidated subsidiaries and 7 affiliates accounted for by the equity method (as of March 31, 2008). The Group is engaged in four businesses: department stores; credit & finance; other retail & specialty stores; and other businesses. Details of the businesses and affiliated companies in each business are described below.

Department Stores

This segment comprises retailing of apparel (ladies' wear, men's wear and children's wear), accessories, household and sundry goods, and foods. This business is positioned at the core of the Isetan Group.

(Principal affiliated companies)

Shizuoka Isetan Co., Ltd., Niigata Isetan Co., Ltd., Iwataya Co., Ltd., Shanghai Mei Long Zhen Isetan Department Store Co., Ltd. (People's Republic of China), Tianjin Isetan Co., Ltd. (People's Republic of China), Shanghai Jinjiang Isetan Co., Ltd. (People's Republic of China), Chengdu Isetan Co., Ltd. (People's Republic of China), Shenyang Isetan Co., Ltd. (People's Republic of China), Isetan (Singapore) Ltd., Isetan (Thailand) Co., Ltd., Isetan of Japan Sdn. Bhd. (Malaysia), West Japan Railway Isetan Ltd., Hamaya Department Store Co., Ltd.

Note: For the purposes of business segment reporting, ITM Clover Co., Ltd., which owns equity in Isetan (Thailand) Co., Ltd., is included in the department store business.

Credit & Finance

This segment includes credit and finance operations.

(Principal affiliated companies)

Isetan I Card Co., Ltd., IZUTSUYA WithCard Co., Ltd., AZ Card Co., Ltd.

Other Retail & Specialty Stores

This segment includes retail operations (ladies' wear, and sundry goods), supermarkets, and restaurants.

(Principal affiliated companies)

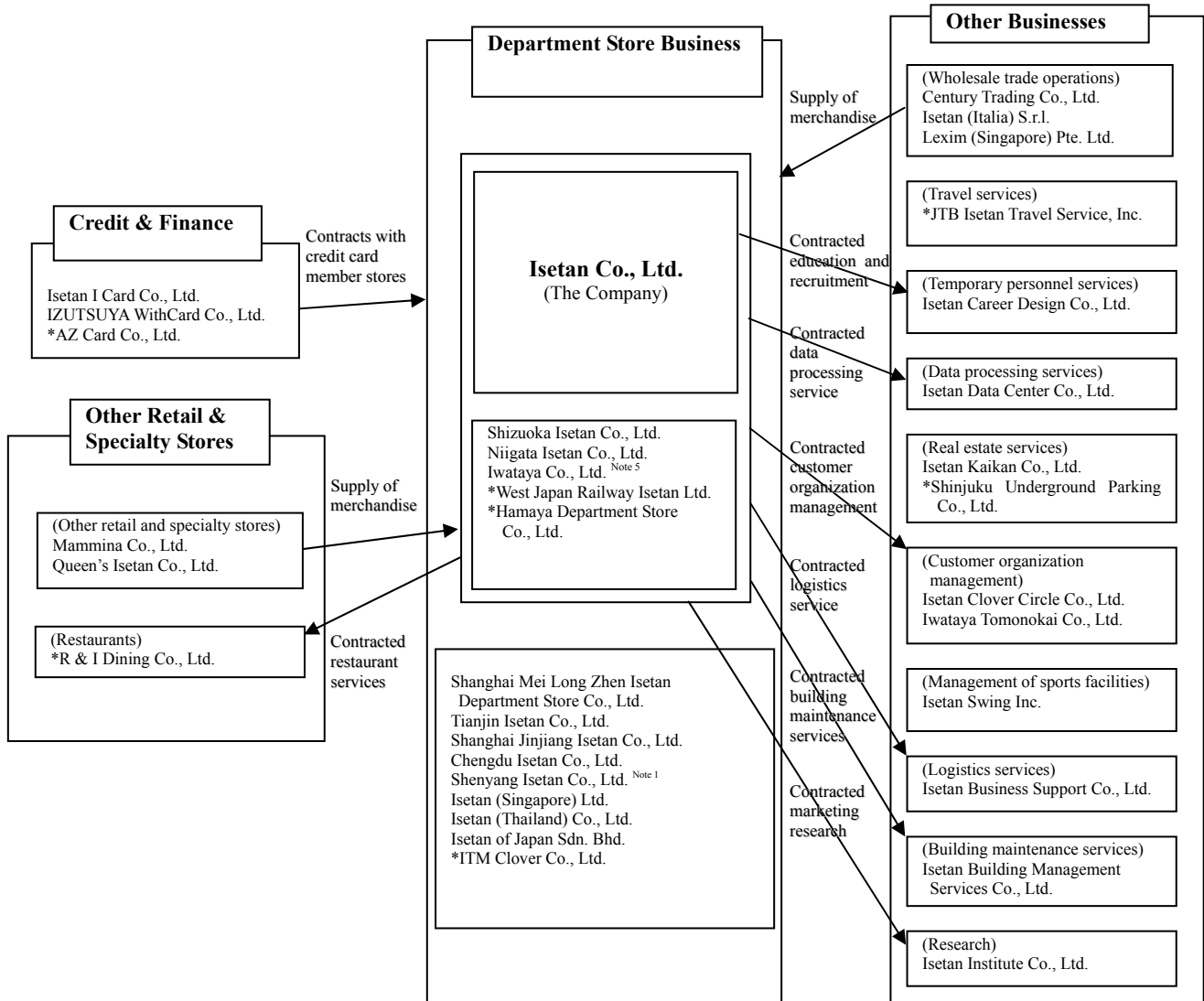
Mamma Co., Ltd., Queen's Isetan Co., Ltd., R & I Dining Co., Ltd.

Other Businesses

This segment includes temporary personnel services, data processing services, real estate services and customer organization management.

(Principal affiliated companies)

Isetan Career Design Co., Ltd., Isetan Data Center Co., Ltd., Isetan Kaikan Co., Ltd., Isetan Clover Circle Co., Ltd., Iwataya Tomonokai Co., Ltd., Isetan Swing Inc., Isetan Business Support Co., Ltd., Isetan Building Management Service Co., Ltd., Century Trading Co., Ltd., Isetan Institute Co., Ltd., Isetan (Italia) S.r.l., Lexim (Singapore) Pte. Ltd., Shinjuku Underground Parking Co., Ltd., JTB Isetan Travel Service, Inc.

Business Relationships among Isetan Group Companies

* Companies accounted for by the equity method

Notes:

1. Shenyang Isetan Co., Ltd. is a new consolidated subsidiary established through investment by Isetan Co., Ltd.
2. Kokura Isetan Co., Ltd. was excluded from the scope of consolidation from fiscal 2007 as a result of stock transfer by Isetan Co., Ltd.
3. Operation of Jinan Isetan Co., Ltd. in China has been suspended by a resolution of dissolution. Operation of Isetan of Japan Ltd. in Hong Kong has also been suspended. Since these two companies have no material impact on consolidated financial statements, they were excluded from the scope of consolidation from fiscal 2007.
4. Ta Lee Isetan Department Store Co., Ltd. was excluded from the scope of application of the equity method from fiscal 2007 as a result of stock transfer by Isetan Co., Ltd.
5. Iwataya Co., Ltd. is listed on Fukuoka Stock Exchange.

3. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	FY2006 (As of March 31, 2007)		FY2007 (As of March 31, 2008)		Change Amount
	Amount	(%)	Amount	(%)	
ASSETS					
I Current Assets					
1 Cash and bank deposits	33,672		27,628		
2 Notes and accounts receivable–trade	80,659		79,731		
3 Marketable securities	1,234		299		
4 Inventories	35,483		36,185		
5 Deferred tax assets–current	6,516		7,080		
6 Other current assets	14,520		14,883		
Less: Allowance for doubtful accounts	(2,715)		(2,982)		
Total current assets	169,370	35.7	162,826	34.9	(6,544)
II Property and Equipment					
1 Tangible fixed assets					
(1) Buildings and structures	202,101		205,337		
Less: Accumulated depreciation	(104,157)	97,944	(107,965)	97,371	
(2) Land		51,111		51,104	
(3) Construction in progress		232		963	
(4) Other tangible fixed assets	36,684		38,947		
Less: Accumulated depreciation	(24,270)	12,414	(25,743)	13,203	
Total tangible fixed assets		161,702		162,643	940
		34.0		34.9	
2 Intangible fixed assets		3,517		9,983	6,465
		0.7		2.1	
3 Investments and other assets					
(1) Investments in securities	56,423		46,688		
(2) Long-term loans	1,431		1,438		
(3) Fixed leasehold deposits	61,733		59,090		
(4) Deferred tax assets–non-current	2,548		3,112		
(5) Other assets	19,104		21,946		
Less: Allowance for doubtful accounts	(1,341)		(1,267)		
Total investments and other assets	139,899	29.5	131,008	28.1	(8,890)
Total property and equipment		305,119		303,635	(1,483)
		64.2		65.1	
III Deferred Assets					
1 Founding expenses	0		—		
2 Business commencement expenses	404		80		
Total deferred assets	405	0.1	80	0.0	(325)
Total Assets	474,895	100.0	466,542	100.0	(8,353)

	FY2006 (As of March 31, 2007)		FY2007 (As of March 31, 2008)		Change
	Amount	(%)	Amount	(%)	Amount
LIABILITIES					
I Current Liabilities					
1 Notes and accounts payable	70,461		69,560		
2 Bonds due within one year	20,000		10,000		
3 Short-term borrowings	27,485		23,713		
4 Income taxes payable	9,872		5,150		
5 Deferred income taxes	10		13		
6 Allowance for point cards	1,419		1,314		
7 Reserve for bonuses to directors and corporate auditors	103		114		
8 Reserve for loss from redemption of gift vouchers	–		2,544		
9 Reserve for loss on interest repayment	–		362		
10 Other current liabilities	85,048		93,797		
Total current liabilities	214,402	45.1	206,570	44.3	(7,831)
II Long-term Liabilities					
1 Straight bonds	10,000		–		
2 Long-term debt	3,000		11,000		
3 Deferred tax liabilities	7,566		4,082		
4 Reserve for accrued employees' retirement benefits	23,403		20,015		
5 Retirement allowance for directors and corporate auditors	739		845		
6 Other long-term liabilities	2,588		5,311		
Total long-term liabilities	47,298	10.0	41,254	8.8	(6,043)
Total Liabilities	261,701	55.1	247,825	53.1	(13,875)
NET ASSETS					
I Shareholders' Equity					
1 Common stock	36,600		36,763		
2 Capital surplus	43,180		43,343		
3 Retained earnings	114,894		115,776		
4 Less: Treasury stock	(9,598)		(1)		
Total shareholders' equity	185,077	39.0	195,881	42.0	10,804
II Valuation and Translation Adjustments					
1 Net unrealized gains on other securities	13,362		6,788		
2 Deferred gains on hedges	19		(2)		
3 Foreign currency translation adjustments	41		975		
Total valuation and translation adjustments	13,423	2.8	7,761	1.7	(5,661)
III Stock Acquisition Rights	318	0.1	648	0.1	329
IV Minority Interests	14,375	3.0	14,424	3.1	49
Total Net Assets	213,194	44.9	218,716	46.9	5,521
Total Liabilities and Net Assets	474,895	100.0	466,542	100.0	(8,353)

(2) Consolidated Statements of Income

(Millions of yen)

	FY2006 (From April 1, 2006, to March 31, 2007)			FY2007 (From April 1, 2007, to March 31, 2008)			Change
	Amount		(%)	Amount		(%)	Amount
I Net Sales		781,798	100.0		785,839	100.0	4,040
II Cost of Sales		556,161	71.1		559,268	71.2	3,106
Gross profit		225,637	28.9		226,570	28.8	933
III Selling, General and Administrative Expenses							
1 Advertising	13,989			14,088			
2 Allowance for point cards	1,386			1,325			
3 Salaries and payroll cost	51,268			50,979			
4 Bonuses	12,707			12,768			
5 Provision of allowance for bonuses to directors and corporate auditors	103			114			
6 Pension expenses	1,147			1,212			
7 Provision of retirement allowance for directors and corporate auditors	181			154			
8 Provision of allowance for doubtful accounts	856			880			
9 Depreciation and amortization	10,894			12,651			
10 Leases	24,243			24,300			
11 Other expenses	76,605	193,384	24.8	74,676	193,153	24.5	(231)
Operating income		32,252	4.1		33,417	4.3	1,164
IV Non-operating Income							
1 Interest income	829			777			
2 Dividend income	514			596			
3 Equity in earning of affiliates	454			139			
4 Rental income	1,977			1,777			
5 Gain on receipt of property and equipment	1,064			1,093			
6 Income from unredeemed gift vouchers	1,777			1,816			
7 Other non-operating income	1,774	8,392	1.1	1,348	7,549	0.9	(842)

	FY2006 (From April 1, 2006, to March 31, 2007)			FY2007 (From April 1, 2007, to March 31, 2008)			Change
	Amount		(%)	Amount		(%)	Amount
V Non-operating Expenses							
1 Interest expenses	1,061			1,037			
2 Loss on disposal of property and equipment	2,538			2,133			
3 Loss from redemption of gift vouchers before expiration	996			–			
4 Provision of reserve for loss from redemption of gift vouchers	–			1,304			
5 Other non-operating expenses	2,632	7,228	0.9	2,805	7,280	0.9	52
Recurring income		33,416	4.3		33,685	4.3	268
VI Extraordinary Gain							
1 Gain on sales of property and equipment	–			272			
2 Reversal of allowance for doubtful accounts	1,219			–			
3 Gain on sales of business of affiliates	859	2,079	0.2	–	272	0.0	(1,806)
VII Extraordinary Loss							
1 Loss on impairment of property and equipment	3,226			1,156			
2 Loss on sales of investments in securities	24			606			
3 Write-down of investments in securities	–			621			
4 Loss on liquidation of affiliates	–			241			
5 Loss on sales of business of affiliates	–			5,088			
6 Provision of reserve for loss from redemption of gift vouchers for prior periods	–			2,281			
7 Other extraordinary losses	–	3,250	0.4	483	10,478	1.3	7,227
Income before income taxes and minority interests		32,244	4.1		23,479	3.0	(8,765)
Income taxes–current	11,292			8,715			
Income taxes–deferred	578	11,870	1.5	(522)	8,192	1.0	(3,677)
Minority Interests in Earnings of Consolidated Subsidiaries		2,082	0.3		1,525	0.2	(557)
Net income		18,291	2.3		13,760	1.8	(4,530)

(3) Consolidated Statements of Changes in Net Assets

FY2006 (April 1, 2006, to March 31, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	36,122	42,703	100,058	(91)	178,792
Changes during the year					
Issuance of new shares	478	477			955
Dividends from surplus (*1)			(3,116)		(3,116)
Directors' and corporate auditors' bonuses (*2)			(128)		(128)
Net income			18,291		18,291
Acquisition of the Company's own shares				(9,506)	(9,506)
Decrease due to the decrease in the number of consolidated subsidiaries			(210)		(210)
Changes in items other than shareholders' equity during the year (net)					
Total changes during the year	478	477	14,836	(9,506)	6,285
Balance at March 31, 2007	36,600	43,180	114,894	(9,598)	185,077

	Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total net assets
	Net unrealized gains on other securities	Deferred gains on hedges	Foreign currency translation adjustments	Total valuation and translation adjustments			
Balance at March 31, 2006	17,528	-	(1,531)	15,996	-	11,899	206,688
Changes during the year							
Issuance of new shares							955
Dividends from surplus (*1)							(3,116)
Directors' and corporate auditors' bonuses (*2)							(128)
Net income							18,291
Acquisition of the Company's own shares							(9,506)
Decrease due to the decrease in the number of consolidated subsidiaries							(210)
Changes in items other than shareholders' equity during the year (net)	(4,166)	19	1,572	(2,573)	318	2,475	220
Total changes during the year	(4,166)	19	1,572	(2,573)	318	2,475	6,505
Balance at March 31, 2007	13,362	19	41	13,423	318	14,375	213,194

Notes:

1. Appropriation of retained earning amounting to 2,018 million yen approved at the annual general meeting of shareholders held in June 2006 and cash dividends amounting to 1,097 million yen in accordance with the resolution at the meeting of the board of directors held in November 2006
2. Appropriation of retained earnings approved at the general meeting of shareholders held in June 2006

FY2007 (April 1, 2007, to March 31, 2008)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	36,600	43,180	114,894	(9,598)	185,077
Changes during the year					
Issuance of new shares	162	162			325
Dividends from surplus			(3,081)		(3,081)
Net income			13,760		13,760
Acquisition of the Company's own shares				(12)	(12)
Retirement of treasury stock			(9,609)	9,609	-
Decrease due to the decrease in the number of consolidated subsidiaries			(187)		(187)
Changes in items other than shareholders' equity during the year (net)					
Total changes during the year	162	162	882	9,596	10,804
Balance at March 31, 2008	36,763	43,343	115,776	(1)	195,881

	Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total net assets
	Net unrealized gains on other securities	Deferred gains on hedges	Foreign currency translation adjustments	Total valuation and translation adjustments			
Balance at March 31, 2007	13,362	19	41	13,423	318	14,375	213,194
Changes during the year							
Issuance of new shares							325
Dividends from surplus							(3,081)
Net income							13,760
Acquisition of the Company's own shares							(12)
Retirement of treasury stock							-
Decrease due to the decrease in the number of consolidated subsidiaries							(187)
Changes in items other than shareholders' equity during the year (net)	(6,573)	(22)	933	(5,661)	329	49	(5,282)
Total changes during the year	(6,573)	(22)	933	(5,661)	329	49	5,521
Balance at March 31, 2008	6,788	(2)	975	7,761	648	14,424	218,716

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2006	FY2007	Change
	(From April 1, 2006, to March 31, 2007)	(From April 1, 2007, to March 31, 2008)	Amount
	Amount	Amount	Amount
Cash Flows from Operating Activities			
Income before income taxes and minority interest	32,244	23,479	
Depreciation and amortization	11,049	12,842	
Impairment of property and equipment	3,226	1,156	
Provision (reversal) of allowance for doubtful accounts	(2,287)	191	
Provision (reversal) of retirement benefits to employees	(4,214)	(3,234)	
Provision of retirement allowance for directors and corporate auditors	116	105	
Allowance for point cards	261	(104)	
Interest and dividend income	(1,343)	(1,374)	
Interest expenses	1,061	1,037	
Foreign exchange (gain) loss, net	(96)	23	
Equity in loss (earnings) of affiliated companies	(454)	(139)	
Loss (gain) on sales of property and equipment	(24)	(245)	
Loss on disposal of property and equipment	2,538	2,133	
Loss (gain) on sales of investment securities	24	508	
Write down of investment securities	–	621	
Loss (gain) on sales of business of affiliates	(859)	5,088	
Increase (decrease) in reserve for loss from redemption of gift vouchers	–	2,544	
(Decrease) increase in receivables	(2,181)	3	
(Decrease) increase in inventories	(1,430)	(1,623)	
(Decrease) increase in payables	2,858	(87)	
Other, net	6,325	(738)	
Sub-total	46,814	42,188	(4,625)
Interest and dividend income received	1,106	1,158	
Interest expense paid	(1,025)	(1,147)	
Income taxes paid	(11,375)	(13,445)	
Net cash provided by operating activities	35,519	28,753	(6,765)

	FY2006 (From April 1, 2006, to March 31, 2007)	FY2007 (From April 1, 2007, to March 31, 2008)	Change
	Amount	Amount	Amount
II Cash Flows from Investing Activities			
Increase in fixed deposits	(548)	(546)	
Decrease in fixed deposits	718	634	
Payments for purchase of marketable securities and investments in securities	(603)	(1,354)	
Proceeds from sales of marketable securities and investments in securities	279	1,251	
Payments for purchase of property and equipment	(16,168)	(25,715)	
Proceeds from sales of property and equipment	1,244	326	
Proceeds from sales of shares of consolidated subsidiaries accompanying changes of consolidation scope	1,240	98	
Loans extended	(520)	(211)	
Collection of loans	633	233	
Expenditure for fixed leasehold deposits	(1,853)	(966)	
Collection of fixed leasehold deposits	9,216	3,264	
Payments for other investments	(1,706)	(2,092)	
Proceeds from sales of other investments	7,110	2,435	
Net cash used in investing activities	(957)	(22,643)	(21,686)
III Cash Flow from Financing Activities			
Increase (decrease) in short-term borrowings	(4,791)	(3,750)	
Increase (decrease) in commercial paper	–	9,000	
Proceeds from borrowings of long-term debt	–	11,000	
Repayment of long-term debt	(6,990)	(3,059)	
Redemption of bonds	(15,000)	(20,000)	
Dividends paid	(3,116)	(3,081)	
Payment for purchase of own shares	(9,506)	(12)	
Dividends paid to minority shareholders	–	(2,236)	
Other, net	570	325	
Net cash used in financing activities	(38,834)	(11,815)	27,019
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	967	273	(694)
V Net Increase (Decrease) in Cash and Cash Equivalents	(3,304)	(5,432)	(2,127)
VI Cash and Cash Equivalents at Beginning of Year	36,342	33,023	(3,318)
VII Cash and Cash Equivalents Excluding Consolidated Subsidiaries at End of Year	(14)	(382)	(368)
VIII Cash and Cash Equivalents at End of Year	33,023	27,208	(5,815)

Segment Information

Business segment information

FY2006 (From April 1, 2006, to March 31, 2007)

(Millions of yen)

	Department store business	Credit & finance business	Other retail & specialty store business	Other businesses	Total	Elimination or corporate	Consolidated total
I Sales and Operating Income							
Sales							
(1) Sales to outside customers	714,683	8,406	51,737	6,970	781,798	–	781,798
(2) Intersegment sales or transfer	878	5,761	9,992	33,181	49,814	(49,814)	–
Total	715,562	14,168	61,730	40,152	831,613	(49,814)	781,798
Operating expenses	689,006	10,019	60,518	39,734	799,278	(49,731)	749,546
Operating income	26,556	4,148	1,211	418	32,335	(82)	32,252
II Assets, Depreciation and Amortization, Impairment Losses, and Capital Expenditures							
Assets	425,173	69,710	14,740	43,988	553,613	(78,718)	474,895
Depreciation and amortization	10,024	188	812	25	11,050	(1)	11,049
Impairment losses	3,225	–	1	–	3,226	–	3,226
Capital expenditure	15,782	138	1,343	43	17,308	(484)	16,824

FY2007 (From April 1, 2007, to March 31, 2008)

(Millions of yen)

	Department store business	Credit & finance business	Other retail & specialty store business	Other businesses	Total	Elimination or corporate	Consolidated total
I Sales and Operating Income							
Sales							
(1) Sales to outside customers	719,417	8,753	51,209	6,458	785,839	–	785,839
(2) Intersegment sales or transfer	1,008	5,953	9,897	37,605	54,464	(54,464)	–
Total	720,425	14,706	61,106	44,063	840,303	(54,464)	785,839
Operating expenses	691,805	10,513	60,521	43,611	806,452	(54,030)	752,421
Operating income	28,619	4,193	585	452	33,850	(433)	33,417
II Assets, Depreciation and Amortization, Impairment Losses, and Capital Expenditures							
Assets	415,648	76,524	14,980	47,242	554,396	(87,854)	466,542
Depreciation and amortization	11,489	159	973	32	12,654	(3)	12,651
Impairment losses	2,911	–	1,156	–	4,067	–	4,067
Capital expenditure	18,910	4,818	2,089	301	26,119	(413)	25,706

Notes:

- Business segments are based on the lines of business.
- "Other businesses" includes temporary personnel services, data processing services, real estate services and customer organization management.
- Changes in accounting policy
 - Fiscal 2006
 - As described in the Changes in the Accounting Policy, the Group employs the ASBJ Statement No. 4 Accounting Standard for Directors' Bonuses (November 29, 2005, Accounting Standards Board of Japan) effective from fiscal 2006 onward. As a result of this change,

- operating expenses of the department store business and the other retail & specialty store business are 93 million yen and 9 million yen higher, respectively, and operating income is lower by the same amount than it would have been if the previous accounting method were employed.
- 2) As described in the Changes in the Accounting Policy, the Group employs the ASBJ Statement No. 8 Accounting Standard for Share-based Payment (December 27, 2005, Accounting Standards Board of Japan) and the ASBJ Guidance No. 11 Guidance on Accounting Standard for Share-based Payment (last revised on May 31, 2006, ASBJ) effective from fiscal 2006 onward. As a result of this change, operating expenses of the department store business are 318 million yen higher and operating income is lower by the same amount than it would have been if the previous accounting method were employed.
 - 3) As described in the Changes in the Accounting Policy, segment classification is changed effective from fiscal 2006 onward. As a result of this change, sales of the department store business are 718 million yen higher and operating expenses are higher by the same amount than they would have been if the previous accounting method were employed.

Fiscal 2007

In line with the amendment of the Corporation Tax Law [Law for Partial Amendment of the Income Tax Law etc. (March 30, 2007, Law No. 6) and Cabinet Order for Partial Amendment of the Corporation Tax Law Enforcement Ordinance (March 30, 2007, Cabinet Order No. 83)], effective from the first half of the fiscal year ending March 31, 2008, the Company records depreciable assets purchased on and after April 1, 2007, by the method based on the amended Corporation Tax Law. In line with these changes, compared with the previous accounting treatment, operating expenses of the department store business and operating expenses of the other retail & specialty store business increased 142 million yen and 76 million yen, respectively, and operating income decreased by the same amount.

Geographical segment information

FY2006 (From April 1, 2006, to March 31, 2007)

(Millions of yen)

	Within Japan	Outside Japan	Total	Elimination or corporate	Consolidated total
I Sales and Operating Income					
Sales					
(1) Sales to outside customers	718,356	63,442	781,798	–	781,798
(2) Intersegment sales or transfer	655	88	744	(744)	–
Total	719,011	63,531	782,542	(744)	781,798
Operating expenses	689,498	60,859	750,357	(811)	749,546
Operating income	29,513	2,671	32,185	67	32,252
II Assets	440,386	37,270	477,656	(2,761)	474,895

FY2007 (From April 1, 2007, to March 31, 2008)

(Millions of yen)

	Within Japan	Outside Japan	Total	Elimination or corporate	Consolidated total
I Sales and Operating Income					
Sales					
(1) Sales to outside customers	714,323	71,515	785,839	–	785,839
(2) Intersegment sales or transfer	660	280	940	(940)	–
Total	714,983	71,795	786,779	(940)	785,839
Operating expenses	684,501	68,695	753,197	(775)	752,421
Operating income	30,482	3,100	33,582	(165)	33,417
II Assets	431,159	39,148	470,307	(3,765)	466,542

Notes:

1. Countries and regions are classified according to geographical proximity.
2. Principal countries and regions included in the classification outside Japan
Outside Japan: China, Singapore, Thailand, Malaysia
3. Changes in accounting policy

Fiscal 2006

- 1) As described in the Changes in the Accounting Policy, the Group employees the ASBJ Statement No. 4 Accounting Standard for Directors' Bonuses (November 29, 2005, Accounting Standards Board of Japan) effective from fiscal 2006 onward. As a result of this change, operating expenses in Japan are 103 million yen higher and operating income is lower by the same amount than it would have been if the previous accounting method were employed.
- 2) As described in the Changes in the Accounting Policy, the Group employs the ASBJ Statement No. 8 Accounting Standard for Share-based Payment (December 27, 2005, Accounting Standards Board of Japan) and the ASBJ Guidance No. 11 Guidance on Accounting Standard for Share-based Payment (last revised on May 31, 2006, ASBJ) effective from fiscal 2006 onward. As a result of this change, operating expenses in Japan are 318 million yen higher and operating income is lower by the same amount than it would have been if the previous accounting method were employed.
- 3) As described in the Changes in the Accounting Policy, segment classification is changed effective from fiscal 2006 onward. As a result of this change, sales in Japan are 718 million yen higher and operating expenses are higher by the same amount than they would have been if the previous accounting method were employed.

Fiscal 2007

In line with the amendment of the Corporation Tax Law [Law for Partial Amendment of the Income Tax Law etc. (March 30, 2007, Law No. 6) and Cabinet Order for Partial Amendment of the Corporation Tax Law Enforcement Ordinance (March 30, 2007, Cabinet Order No. 83)], effective from the first half of the fiscal year ending March 31, 2008, the Company records depreciable assets purchased on and after April 1, 2007, by the method based on the amended Corporation Tax Law. In line with these changes, compared with the previous accounting treatment, operating expenses within Japan increased 219 million yen and operating income decreased by the same amount.

Overseas sales

Information on overseas sales is not provided since overseas sales accounted for less than 10% of consolidated net sales for fiscal 2006 (from April 1, 2006, to March 31, 2007) and for fiscal 2007 (from April 1, 2007, to March 31, 2008).

Omission of disclosure

Disclosure of notes on lease transactions, related party transactions, deferred tax accounting, securities, derivative transactions, retirement benefits, and stock options is omitted since there is considered to be little need for disclosure of such information in the Summary of Settlement of Consolidated Financial Accounts.

4. Non-Consolidated Financial Statements**(1) Non-Consolidated Balance Sheets**

(Millions of yen)

	FY2006 (As of March 31, 2007)		FY2007 (As of March 31, 2008)		Change	
	Amount	(%)	Amount	(%)	Amount	
ASSETS						
I Current Assets						
1 Cash and bank deposits	11,119		7,460			
2 Notes receivable	447		223			
3 Accounts receivable	34,720		33,974			
4 Merchandise inventories	20,147		20,864			
5 Supplies inventories	99		88			
6 Advance payment	200		44			
7 Prepaid expenses	1,179		1,109			
8 Deferred tax assets-current	3,676		4,204			
9 Short-term loans to subsidiaries and affiliates	15,609		16,299			
10 Other current assets	8,842		9,250			
Allowance for doubtful accounts	(3,000)		(732)			
Total current assets	93,043	27.9	92,787	28.3	(255)	
II Property and Equipment						
1 Tangible fixed assets						
(1) Buildings	152,610		156,468			
Less: Accumulated depreciation	(87,518)	65,091	(89,376)	67,092		
(2) Structures	1,137		1,261			
Less: Accumulated depreciation	(716)	420	(758)	502		
(3) Vehicles	40		38			
Less: Accumulated depreciation	(38)	2	(36)	1		
(4) Furniture and fixtures	17,716		18,753			
Less: Accumulated depreciation	(12,113)	5,603	(12,782)	5,970		
(5) Land		38,347		38,135		
(6) Construction in progress		226		258		
Total tangible fixed assets		109,692		111,960	34.1	2,267
2 Intangible fixed assets						
(1) Leasehold		953		953		
(2) Goodwill		0		0		
(3) Software		5,475		6,279		
(4) Telephone subscription rights		24		24		
(5) Other intangible fixed assets		4		2		
Total intangible fixed assets		6,458		7,260	2.2	802

	FY2006 (As of March 31, 2007)		FY2007 (As of March 31, 2008)		Change	
	Amount	(%)	Amount	(%)	Amount	
3 Investments and other assets						
(1) Investments in securities		45,261		35,559		
(2) Investments in securities of subsidiaries and affiliates		14,965		16,946		
(3) Investment capital		7		7		
(4) Investments in capital of subsidiaries and affiliates		601		1,560		
(5) Long-term loans		8		7		
(6) Long-term loans to employees		22		–		
(7) Long-term prepaid expenses		3,981		4,636		
(8) Prepaid pension expenses		6,674		6,509		
(9) Investments in real estate	29,048		29,826			
Less: Accumulated depreciation	(5,205)	23,843	(6,538)	23,287		
(10) Fixed leasehold deposits		28,492		27,639		
(11) Other investments and other assets		211		200		
Less: Allowance for doubtful accounts		(10)		(10)		
Total investments and other assets		124,060	37.2	116,344	35.4	(7,716)
Total property and equipment		240,211	72.1	235,565	71.7	(4,646)
Total Assets		333,255	100.0	328,353	100.0	(4,901)
LIABILITIES						
I Current Liabilities						
1 Accounts payable–trade		40,041		39,467		
2 Bonds due within one year		20,000		10,000		
3 Short-term borrowings		5,300		5,300		
4 Short-term borrowings from subsidiaries and affiliates		31,044		30,890		
5 Commercial paper		–		9,000		
6 Accounts payable--other		7,196		7,760		
7 Accrued expenses		14,422		14,941		
8 Income taxes payable		7,219		2,757		
9 Advances received		62		34		
10 Issued gift vouchers		13,214		13,383		
11 Withholdings		1,860		1,074		
12 Deferred income		279		340		
13 Allowance for bonuses to directors and corporate auditors		93		103		
14 Reserve for loss from redemption of gift vouchers		–		1,840		
15 Other current liabilities		310		247		
Total current liabilities		141,045	42.3	137,143	41.8	(3,902)

	FY2006 (As of March 31, 2007)		FY2007 (As of March 31, 2008)		Change Amount	
	Amount	(%)	Amount	(%)		
II Long-term Liabilities						
1 Straight bonds		10,000		–		
2 Long-term debt		–		11,000		
3 Deferred tax liabilities		4,898		1,468		
4 Reserve for accrued employees' retirement benefits		17,092		14,016		
5 Retirement allowance for directors and corporate auditors		628		694		
6 Allowance for loss on guarantees		710		–		
7 Other long-term liabilities		2,120		4,739		
Total long-term liabilities		35,449	10.7	31,918	9.7	(3,530)
Total Liabilities		176,494	53.0	169,061	51.5	(7,432)
NET ASSETS						
I Shareholders' Equity						
1 Common stock		36,600		36,763		
2 Capital surplus						
(1) Capital reserve	43,180			43,343		
Total capital surplus		43,180		43,343		
3 Retained earnings						
(1) Earned reserve	5,057			5,057		
(2) Other retained earnings						
Reserve for accelerated depreciation	8,384			8,000		
Special appropriation to the reserve for accelerated depreciation	–			129		
General reserves	15,696			15,696		
Retained earnings carried forward	44,908			43,994		
Total retained earnings		74,046		72,877		
4 Less: Treasury stock		(9,598)		(1)		
Total shareholders' equity		144,229	43.3	152,982	46.6	8,753
II Valuation and Translation Adjustments						
1 Net unrealized gains on other securities		12,192		5,661		
2 Deferred gains on hedges		19		(1)		
Total valuation and translation adjustments		12,212	3.6	5,660	1.7	(6,552)
III Stock Acquisition Rights		318	0.1	648	0.2	329
Total Net Assets		156,760	47.0	159,291	48.5	2,530
Total Liabilities and Net Assets		333,255	100.0	328,353	100.0	(4,901)

(2) Non-Consolidated Statements of Income

(Millions of yen)

	FY2006 (From April 1, 2006, to March 31, 2007)			FY2007 (From April 1, 2007, to March 31, 2008)			Change Amount
	Amount		(%)	Amount		(%)	
I Net Sales		454,951	100.0		462,059	100.0	7,108
II Cost of Sales							
1 Merchandise inventory at beginning of year	19,035			20,147			
2 Purchase of merchandise for the year	329,450			334,745			
Total	348,486			354,892			
3 Merchandise inventory at end of year	20,147	328,339	72.2	20,864	334,027	72.3	5,688
Gross profit		126,612	27.8		128,032	27.7	1,419
III Other Operating Revenues		5,073	1.1		5,896	1.3	823
Gross profit on operating revenues		131,685	28.9		133,929	29.0	2,243
IV Selling, General and Administrative Expenses							
1 Advertising	7,595			7,573			
2 Directors' salaries	635			687			
3 Salaries and payroll cost	27,189			26,779			
4 Bonuses	8,470			8,571			
5 Provision of allowance for bonuses to directors and corporate auditors	93			103			
6 Employee-benefit expenses	5,467			5,306			
7 Pension expenses	2			206			
8 Provision of retirement allowance for directors and corporate auditors	112			114			
9 Depreciation and amortization	6,565			7,705			
10 Repair costs	5,850			5,434			
11 Expenses for contracted work	17,958			17,593			
12 Leases	8,015			8,065			
13 Commissions	8,260			8,636			
14 Other expenses	13,643	109,861	24.1	13,887	110,667	24.0	805
Operating income		21,823	4.8		23,261	5.0	1,438
V Non-operating Income							
1 Interest income	461			572			
2 Dividend income	1,285			3,421			
3 Rental income	3,734			3,760			
4 Gain on receipt of property and equipment	852			1,030			
5 Income from unredeemed gift vouchers	1,071			1,249			
6 Other non-operating income	1,029	8,434	1.8	726	10,762	2.3	2,327

	FY2006 (From April 1, 2006, to March 31, 2007)			FY2007 (From April 1, 2007, to March 31, 2008)			Change Amount
	Amount		(%)	Amount		(%)	
VI Non-operating Expenses							
1 Interest expenses	339			681			
2 Bond interest expenses	692			440			
3 Rental expenses	859			714			
4 Loss on disposal of property and equipment	2,155			1,760			
5 Loss from redemption of gift vouchers before expiration	681			–			
6 Provision of reserve for loss from redemption of gift vouchers	–			1,006			
7 Depreciation of investment property	1,366			1,360			
8 Other non-operating expenses	1,330	7,426	1.6	2,148	8,112	1.7	685
Recurring income		22,832	5.0		25,912	5.6	3,079
VI Extraordinary Gain							
1 Gain on sales of property and equipment	–			272			
2 Gain on sales of investments in affiliates	64			–			
3 Gain from reversal of allowance for doubtful accounts of affiliates	30			20			
4 Gain on sales of business of affiliates	1,319	1,414	0.3	–	292	0.1	(1,121)
VII Extraordinary Loss							
1 Loss on impairment of property and equipment	3,194			–			
2 Write down of investments in securities	–			621			
3 Loss on liquidation of affiliates	–			412			
4 Loss on sales of business of affiliates	–			6,203			
5 Loss on sales of investments in affiliates	–			342			
6 Write-down of investments in equity of affiliates	159			55			
7 Provision of allowance for doubtful accounts of affiliates	1,213			10			
8 Provision of reserve for loss from redemption of gift vouchers for prior periods	–			1,635			
9 Environmental expenses	–	4,566	1.0	444	9,724	2.1	5,157
Income before income taxes		19,679	4.3		16,479	3.6	(3,199)
Income taxes—current	7,200			5,053			
Income taxes—deferred	96	7,296	1.6	(95)	4,957	1.1	(2,338)
Net income		12,383	2.7		11,522	2.5	(860)

(3) Non-Consolidated Statement of Changes in Net Assets

FY2006 (April 1, 2006, to March 31, 2007)

(Millions of yen)

	Shareholders' equity										
	Common stock	Capital surplus		Retained earnings					Treasury stock	Total shareholders' equity	
		Capital reserve	Total capital surplus	Earned reserve	Other retained earnings						
					Reserve for accelerated depreciation	Special appropriation to the reserve for accelerated depreciation	General reserves	Retained earnings carried forward			Total retained earnings
Balance at March 31, 2006	36,122	42,703	42,703	5,057	2,909	3,223	15,696	38,015	64,902	(91)	143,636
Changes during the year											
Issuance of new shares	478	477	477								955
Provision of reserve for accelerated depreciation					6,287			(6,287)			-
Reversal of reserve for accelerated depreciation					(813)			813			-
Provision of special appropriation to the reserve for accelerated depreciation						1,363		(1,363)			-
Reversal of special appropriation to the reserve for accelerated depreciation						(4,586)		4,586			-
Dividends from surplus (*1)								(3,116)	(3,116)		(3,116)
Directors' and corporate auditors' bonuses (*2)								(123)	(123)		(123)
Net income								12,383	12,383		12,383
Acquisition of the Company's own shares										(9,506)	(9,506)
Changes in items other than shareholders' equity during the year (net)											
Total changes during the year	478	477	477	-	5,474	(3,223)	-	6,892	9,143	(9,506)	592
Balance at March 31, 2007	36,600	43,180	43,180	5,057	8,384	-	15,696	44,908	74,046	(9,598)	144,229

	Valuation and translation adjustments			Stock acquisition rights	Total net assets
	Net unrealized gains on other securities	Deferred gains on hedges	Total valuation and translation adjustments		
Balance at March 31, 2006	16,222	-	16,222	-	159,858
Changes during the year					
Issuance of new shares					955
Provision of reserve for accelerated depreciation					-
Reversal of reserve for accelerated depreciation					-
Provision of special appropriation to the reserve for accelerated depreciation					-
Reversal of special appropriation to the reserve for accelerated depreciation					-
Dividends from surplus (*1)					(3,116)
Directors' and corporate auditors' bonuses (*2)					(123)
Net income					12,383
Acquisition of the Company's own shares					(9,506)
Changes in items other than shareholders' equity during the year (net)	(4,029)	19	(4,009)	318	(3,691)
Total changes during the year	(4,029)	19	(4,009)	318	(3,098)
Balance at March 31, 2007	12,192	19	12,212	318	156,760

Notes:

1. Appropriation of retained earning amounting to 2,018 million yen approved at the annual general meeting of shareholders held in June 2006 and cash dividends amounting to 1,097 million yen in accordance with the resolution at the meeting of the board of directors held in November 2006
2. Appropriation of retained earnings approved at the general meeting of shareholders held in June 2006

FY2007 (April 1, 2007, to March 31, 2008)

(Millions of yen)

	Shareholders' equity										
	Common stock	Capital surplus		Retained earnings					Treasury stock	Total shareholders' equity	
		Capital reserve	Total capital surplus	Earned reserve	Other retained earnings						Total retained earnings
					Reserve for accelerated depreciation	Special appropriation to the reserve for accelerated depreciation	General reserves	Retained earnings carried forward			
Balance at March 31, 2007	36,600	43,180	43,180	5,057	8,384	–	15,696	44,908	74,046	(9,598)	144,229
Changes during the year											
Issuance of new shares	162	162	162								325
Reversal of reserve for accelerated depreciation					(383)			383			–
Provision of special appropriation to the reserve for accelerated depreciation						129		(129)			–
Dividends from surplus								(3,081)	(3,081)		(3,081)
Net income								11,522	11,522		11,522
Acquisition of the Company's own shares										(12)	(12)
Retirement of treasury stock								(9,609)	(9,609)	9,609	–
Changes in items other than shareholders' equity during the year (net)											
Total changes during the year	162	162	162	–	(383)	129	–	(914)	(1,168)	9,596	8,753
Balance at March 31, 2008	36,763	43,343	43,343	5,057	8,000	129	15,696	43,994	72,877	(1)	152,982

	Valuation and translation adjustments			Stock acquisition rights	Total net assets
	Net unrealized gains on other securities	Deferred gains on hedges	Total valuation and translation adjustments		
Balance at March 31, 2007	12,192	19	12,212	318	156,760
Changes during the year					
Issuance of new shares					325
Reversal of reserve for accelerated depreciation					–
Provision of special appropriation to the reserve for accelerated depreciation					–
Dividends from surplus					(3,081)
Net income					11,522
Acquisition of the Company's own shares					(12)
Retirement of treasury stock					–
Changes in items other than shareholders' equity during the year (net)	(6,531)	(21)	(6,552)	329	(6,222)
Total changes during the year	(6,531)	(21)	(6,552)	329	2,530
Balance at March 31, 2008	5,661	(1)	5,660	648	159,291