



Interim Results for Year Ending March 31, 2008

November 9, 2007

Name **TOLI Corporation** Stock Exchange Tokyo Securities Exchange and Osaka Securities Exchange; First Section
 Code number 7971 URL <http://www.toli.co.jp>
 Representative of Company (Position) President and Representative Director (Name) Kenji Kashihara
 Official responsible for any inquiry (Position) General Manager of Accounting and Finance Department (Name) Jun Suzuki TEL: (06)6494-1534
 Planned date for submission of interim report December 12, 2007

(Amounts of less than 1 million yen are rounded off)

1. Consolidated performance for year ended September 2007 (April 1, 2007 - September 30, 2007)

(1) Consolidated results

(% shows change from previous interim term.)

	Net sales		Operating income		Ordinary income		Interim net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Interim term ended September 30, 2007	45,674	(0.7)	(219)	-	(312)	-	(276)	-
Interim term ended September 30, 2006	45,988	2.7	173	(82.5)	243	(68.2)	56	(89.6)
Year ended March 2007	100,936	-	2,200	-	2,128	-	1,619	-

	Interim net income per share	Interim net income per share after residual securities adjustment
	yen	yen
Interim term ended September 30, 2007	(4.35)	-
Interim term ended September 30, 2006	0.88	-
Year ended March 2007	25.44	-

(For reference) investment gain or loss under equity method Interim term ended September 30, 2007 (4 million yen) Interim term ended September 30, 2006 57 million yen Year ended March 2007 29 million yen

(2) Consolidated assets

	Total assets	Net assets	Capital-to-asset ratio	Net asset per share
	million yen	million yen	%	yen
Interim term ended September 30, 2007	69,318	26,258	37.5	405.49
Interim term ended September 30, 2006	73,222	26,108	35.4	405.69
Year ended March 2007	78,034	27,340	34.8	428.12

(For reference) Shareholders' equity Interim term ended September 30, 2007 26,026 million yen Interim term ended September 30, 2006 —million yen Year ended March 2007 27,131 million yen

(3) State of consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Term-end balance of cash and cash equivalents
	million yen	million yen	million yen	million yen
Interim term ended September 30, 2007	1,383	(513)	(866)	4,404
Interim term ended September 30, 2006	480	(219)	(768)	4,555
Year ended March 2007	1,501	(784)	(1,382)	4,398

2. Dividend payments

(Date of record)	Dividend per share		
	End of midterm	End of year	For the year
	yen	yen	yen
Year ended March 2007	-	7.00	7.00
Year ending March 2008 (results)	-	-	7.00
Year ending March 2008 (projection)	-	7.00	

3. Consolidated forecasts for year ending March 2008 (April 1, 2007 - March 31, 2008)

(% shows change from previous term.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full-year results	100,000	(0.9)	1,700	(22.8)	1,550	(27.2)	800	(50.6)	12.46

4 Other matters

- (1) Significant changes to subsidiaries during the current term (changes for a specified subsidiary accompanying a change in the scope of consolidation): None
- (2) Change in accounting principles, procedures, or statement methods, etc. pertaining to the presentation of consolidated interim financial statements (matters reported under the heading of “Changes to the basis of presenting consolidated interim financial statements”)
 - 1) Changes accompanying revision to accounting standards, etc.: Yes
 - 2) Changes other than 1) above: None

Note: For more details, please refer to “Changes to the basis of presenting consolidated interim financial statements” on page 20.

(3) Number of shares outstanding (Ordinary stock)

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

	Interim term ended	66,829,249	Interim term ended	66,829,249	Year ended	66,829,249
	September 2007	shares	September 2006	shares	March 2007	shares
- 2) Number of treasury stock at end of year

	Interim term ended	2,644,015	Interim term ended	2,957,976	Year ended	3,454,779
	September 2007	shares	September 2006	shares	March 2007	shares

Note: For the number of shares that forms the basis of calculation for net income per share (consolidated), please refer to the “Per share data” stated on page 28.

(For reference) Outline of Company-specific business performance

1. Company-specific business performance for interim term ended September 2007 (April 1, 2007 – September 30, 2007)

(1) Company-specific management performance (% shows change from previous term.)

	Net sales		Operating income		Ordinary income		Interim net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Interim term ended September 30, 2007	27,498	2.4	(242)	-	(210)	-	(105)	-
Interim term ended September 30, 2006	26,849	3.2	5	(99.3)	151	(82.3)	158	(75.0)
Year ended March 2007	58,905	-	1,203	-	1,214	-	801	-

	Interim net income per share
	yen
Interim term ended September 30, 2007	(1.67)
Interim term ended September 30, 2006	2.48
Year ended March 2007	12.58

(2) Company-specific financial state

	Total assets		Net assets		Capital-to-asset ratio		Net asset per share	
	million yen		million yen		%		yen	
Interim term ended September 30, 2007	58,015		22,091		38.1		344.18	
Interim term ended September 30, 2006	59,130		22,650		38.3		354.63	
Year ended March 2007	63,450		22,974		36.2		362.52	

(For reference) Shareholders' equity Interim term ended September 30, 2007 22,091 million yen Interim term ended September 30, 2006 —million yen Year ended March 2007 22,974 million yen

2. Company-specific business performance projection for year ending March 2008 (April 1, 2007 - March 31, 2008) (% shows change from previous term.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	
Full-year results	60,000	1.9	900	(25.2)	800	(34.1)	350	(56.3)	yen 5.45

* Explanations pertaining to adequate use of business performance projections and other special instructions

The performance projections were established based on the information available as of the time of writing, and actual business performance figures may differ from the projections due to various factors.

For matters pertaining to the business performance projections, please refer to “Outlook for the current term” on page 4.

(1) Discussion and analysis of the management performance

(Unit: million yen)

Item	Net sales	Ordinary income or ordinary loss	Interim net income or interim net loss
Current interim term results	45,674	(312)	(276)
Previous interim term results	45,988	243	56
Change (Compared with previous interim term)	(314) ((0.7%))	(556) (-)	(333) (-)

The Japanese economy sustained gradual growth during the interim term under review, driven by a strong corporate performance, with sustained capital spending expansion in the private sector, encouraging improvements in employment and income situations. However, the interior decoration industry found itself in a tough operating environment, given factors such as the negative impact on construction starts of a decrease in construction confirmation applications and a screening delay that accompanied enforcement of the revised Building Standards Law, the rising cost of materials caused by high crude oil prices, and a shift in demand towards inexpensive products. In this environment, the TOLI Group took steps to bolster earnings capabilities in business operations and to enhance corporate value through measures aimed at achieving priority targets in “GROW UP 2008,” its medium-term business plan.

As a result, interim net sales came to 45,674 million yen (a 0.7% decrease from the previous interim term). In income, we sought to raise our profitability with actions such as comprehensive rationalization of the manufacturing processes and a Group-wide review of operational organizations. However, increased materials procurement costs, caused by the long-term appreciation of crude oil prices, had a considerable impact on our income. Consequently, the Group posted an ordinary loss of 312 million yen (compared with an ordinary income of 243 million yen in the previous interim term), and an interim net loss of 276 million yen (compared with an interim net income of 56 million yen in the previous interim term).

Shown below is the business performance according to segment for each business area.

(Unit: million yen)

	Net sales			Operating income or loss		
	Current interim term	Previous interim term	Change	Current interim term	Previous interim term	Change
Vinyl chloride-based products business	14,718	15,328	(610)	675	1,124	(448)
Textile products business	14,639	14,247	391	(133)	(249)	115
Other businesses	16,316	16,412	(96)	25	85	(59)
Total	45,674	45,988	(314)	567	959	(392)
Elimination	-	-	-	(786)	(785)	(0)
Total	45,674	45,988	(314)	(219)	173	(393)

Vinyl chloride-based products business

Among our vinyl chloride-based products, the Looselay series of vinyl floor tiles achieved strong results. These stylish tiles offering high workability and functionality were used to create a broad choice of space in facilities, including chic and quiet offices, simple and modern educational facilities, and medical and welfare facilities with a touch of warmth. In August 2007, we improved or discontinued five types of print tiles in our TERA and MER series in an attempt to present modern and distinct space featuring new and abstract designs that incorporate European furniture trends. Among them, TERA WOOD, a wood-tone pint tile, proved particularly popular for a broad range of applications, including commercial facilities and housing. Meanwhile, business results declined substantially for composition tiles, due to the diversification of flooring materials adopted for medium and large retail properties.

As a result of the developments stated above, net sales for the vinyl chloride-based products business decreased 4.0% from the previous interim term, to 14,718 million yen. Operating income for the business totaled 675 million yen (compared with 1,124 million yen for the previous interim term).

Textile products business

Net sales for the carpet business surpassed the level of the previous interim term, thanks primarily to robust sales of tiled carpets for new and refurbished offices in areas centering on large cities. The VARY series we brought to market in October 2006 also made a good start, winning a reputation with its expressive designs and sizes in compliance with new specifications. DIA•CARPET CO., LTD., a consolidated subsidiary we established in the previous fiscal year, increased revenue and made an additional contribution. As a result, net sales for the business increased from the previous interim term.

For the curtain business, we put on sale the elure 2007-2009 line of washable curtains offering diverse functions, including flameproof and light shielding, in July 2007, under a marketing concept of pleasant and comfortable living. However, market conditions remained tough, given the effects of user preferences for inexpensive products and further diversification of distribution channels. Net sales for the curtain business fell below the level of the previous interim term.

As a result of the developments stated above, net sales for the textile products business rose 2.8% from the previous interim term to 14,639 million yen. Operating loss for the business came to 133 million yen (compared with 249 million yen for the previous interim term).

Other businesses

The Ecological wallpaper series, consisting of products offering deodorant, moisture absorption and release, and other high functions such as bamboo charcoal and kenaf wallpapers and earth wallpapers, and of other products taking advantage of natural materials such as sisal hemp and *sazanami* Japanese paper, led sales of wallpaper material products. VS '06-'08, a series of vinyl wallpapers introduced to the market in June 2006, also achieved favorable results by satisfying construction and reform demands in the condominium market. In the markets for stores, offices and welfare facilities, the Real Deco series of wood-tone dressing materials, offering calmness and elegance, achieved volumes and amounts surpassing the previous interim term with their extensive merchandise lineup.

However, net sales for other businesses declined 0.6% from the previous interim term to 16,316 million yen, under the effects of decreased sales of adhesives for flooring materials and smaller sales to subsidiaries in charge of sales. Operating income for other businesses totaled 25 million yen (compared with 85 million yen for the previous interim term).

(Outlook for the current term)

Turning to consider the business outlook, economic trends in the United State and the potential for rising interest rates are causes of concern. However, factors, including aggressive capital investments based on firm corporate performance and consumer spending improvement, appear to sustain moderate growth of the Japanese economy. Sources of concerns in the interior decoration industry include materials costs stuck at high levels, their rise again, and a temporary decrease in building materials demands due to enforcement of the revised Building Standards Law. In this environment, the Company plans to steadily implement action plans based on the three key strategic themes set out in the Company's medium-term business plan, GROW UP 2008. By improving our sales capability, development capability and organizational power through these efforts, the Group will strive to bolster its earning capacity.

Based on the above outlook, for the current term, we expect consolidated net sales of 100,000 million yen, consolidated operating income of 1,700 million yen, consolidated ordinary income of 1,550 million yen, and consolidated net income of 800 million yen.

(2) Discussion and analysis of the financial situation

(Unit: million yen)

Item	Current interim term	Previous interim term	Change
Cash flows from operating activities	1,383	480	902
Cash flows from investing activities	(513)	(219)	(293)
Cash flows from financing activities	(866)	(768)	(98)
Increase in cash and cash equivalents	3	(507)	510
Term-end balance of cash and cash equivalents	4,404	4,555	(150)

Cash generated by operating activities in the current interim term stood at 1,383 million yen (compared with 480 million yen for the previous interim term). Notwithstanding a decrease in interim net income before corporation tax, lower corporation tax payments produced a greater cash inflow.

Cash used in investing activities was 513 million yen (compared with cash used of 219 million yen for the previous interim term). The cash outflow was higher than the previous interim term because of an increase in expenditure for the acquisition of investment securities and a decrease in proceeds from the sale of such securities.

Cash used for financing activities stood at 866 million yen (compared with cash used of 768 million yen for the previous interim term). Despite reduced repayments for long-term borrowings, the outflow increased on larger disbursements for repaying short-term debts.

As a result, the consolidated balance of cash and cash equivalents at the end of the interim term under review decreased by 150 million yen, to 4,404 million yen (compared with 4,555 million yen at the end of the previous interim term).

Cash flow indexes for the Group are shown below.

	Year ended March 2005	Year ended March 2006	Year ended March 2007	Interim term ended September 2007
Capital-to-asset ratio (%)	32.0	35.1	34.8	37.5
Capital-to-asset ratio on market value basis (%)	26.9	36.0	27.7	26.2
Number of years for debt repayment (year)	4.2	4.1	8.4	-
Interest coverage ratio	14.3	16.6	8.8	14.6

Note: Capital-to-asset ratio: Shareholders' equity / Total assets

Capital-to-asset ratio on market value basis: Market capitalization for stock / Total assets

Number of years for debt repayment: Interest bearing debt / Cash flows from operating activities (Not stated for the interim term)

Interest coverage ratio: Cash flows from operating activities / Interest payment

- Each of the indexes above was calculated based on the financial data on a consolidated basis.
- Market capitalization for stock was calculated as follows: Term-end closing price for shares (closing price for shares at the end of the interim term) x Term-end number of shares outstanding (number of shares outstanding at the end of the interim term) (after deduction for treasury stock).
- For cash flows from operating activities, data for cash flows from operating activities as stated in consolidated statements of cash flows (consolidated interim statements of cash flows) was used. Interest-bearing debt include all types of debts with interest payment among the debts stated in consolidated balance sheets (consolidated interim balance sheets). For interest payments, data for interest paid as shown in consolidated statements of cash flows (consolidated interim statements of cash flows) was used.

(3) Basic policy regarding dividend payment, and dividend payments for the current term

TOLI understands that returning profits to our shareholders is an important mission for the Company, and its basic policy is to continue paying dividends using a stable approach. To do so, we must bolster our management and stabilize it on a long-term basis. We decide on dividend amounts and frequency by taking into consideration our overall management environment from medium- and long-term perspectives, in addition to our financial situation in each fiscal term. General meetings of shareholders and the Board of Directors are our decision-making bodies for term-end dividends and interim dividends, respectively. For the fiscal year under review, we plan to pay a term-end dividend of ¥7 per share. With respect to retained earnings, we

assume their use for capital investment and financial structure reinforcement.

2 The TOLI Group

No important change took place in the contents of operations performed by the TOLI Group (the Company and its affiliates) in the consolidated interim accounting term under review.

The following changes were made to Group companies during the current interim term.

1. GRACE CARPET LIMITED, formerly an equity method affiliate, changed its status to a consolidated subsidiary in the current interim period in accordance with its increased importance.
2. The liquidation process for Otsuka TOLI Carpet, a subsidiary in the textile products business that manufactured and processed carpets, was completed in August 2007, and the company was excluded from the scope of consolidation.

3 Management policy

(1) Basic management policy

The TOLI Group operates based on the following three management principles: “We will contribute to improving lifestyles and culture through our interior decoration business;” “Customer-first thinking is our code of conduct;” and “We seek to become the leader in the total interior business.” With “Everything is for the customer” as our action guideline, we aim to provide products and services that can bring quality to every kind of residential, commercial and other space that people encounter in their daily lives, including houses and residential buildings, office buildings, schools, medical and welfare facilities and commercial facilities. Through these activities, we seek to continually raise our corporate value. We will strictly observe all laws and ordinances, and we will always conduct ourselves as a good corporate citizen, fulfilling our responsibility toward society, for example by preserving the global environment. Our goal is to be a corporate group that society will trust, with great expectations.

(2) The Company’s medium-term business management strategy

The TOLI Group is currently in the process of implementing GROW UP 2008, a medium-term business plan that covers the fiscal years from 2006 until 2008. Under this plan, the Group aims to bolster operational profitability and improve asset efficiency to achieve its medium- and long-term management targets. To reach our goal of sustained, high growth for the Group, all companies will work as one to execute each of the necessary tasks, guided by the following three key strategic themes:

1) Bolstering sales capability:

We will clearly allocate specific roles to the Company and the sales companies in the Group, carrying out action programs based on the sales strategies for each of the categorized areas. Through these activities, we will strive to not only reinforce our profit base on the contract market, a traditional area of strength for the Group, but also to maximize the Group’s sales strength in the small-lot order market, by further drawing on our unique characteristics.

2) Improve frontline capabilities for technological development:

TOLI plans to focus its management resources on the development of new technologies in the vinyl chloride-based products business and the tiled carpet business, both core businesses for the Company, to develop next-generation products and products with a high value-added component that distinguishes them from other products. The Company will also step up cross-organizational collaborative activities among its different business areas, including sheet flooring, carpets, curtains, and wallpaper materials, capitalizing on its strengths as a comprehensive interior decoration manufacturer. A major aim of this initiative is to reinforce its strategic marketing functions.

3) Raise group-wide business management efficiency:

To establish powerful and resilient management characteristics, the Group will take steps to reinforce and bolster the efficiency of indirect departments across the Group; enhancing the competitiveness of the carpet business; reorganizing the curtain business; and establishing new logistics strategies, among other measures. By pursuing individual financial strategies based on the mid-term business target, the Group aims to achieve and maintain optimum structures and conditions on a Group-wide basis, and to increase the speed of the decision-making processes based on the most timely and useful information. We will strive to raise the Company’s earning capacity through these measures.

To effectively execute the key strategies described above, the Company will aim to reinforce the organizational basis of business management, from the perspectives focusing on the system for fostering and developing talent, better information-handling and planning capability, and the corporate governance structure.

(3) Challenges that the Company should address

TOLI has adopted GROW UP 2008, its medium-term business plan, and has been taking steps to achieve its key strategic goals. As a comprehensive interior decoration manufacturer and an industry leader, the Group is well aware of its mission in society and its responsibilities. We will strive to offer a rich lineup of products to satisfy wide-ranging needs, and we will actively implement sales promotion measures, so that we can make useful suggestions on more pleasant and enjoyable lifestyles to customers. By steadily executing the medium-term business plan, we aim to overcome the challenges that stem from uncertainties in the business environment, which include the rising costs of key materials resulting from high crude oil prices, and intensifying competition. We believe that a significant challenge for us is to bolster the foundations of our business to establish more powerful and resilient structures, and to accelerate the pace of growth. In a specific step, in December 2006, the Company took over the carpet business of Mitsubishi Rayon Carpet Co., Ltd. (currently MCP Corporation), and brought a manufacturing base in Yoro-gun, Gifu Prefecture (MRM Gifu Company, Limited) under the Group management. The Company also established a joint venture sales company (DIA•CARPET CO., LTD.; Head office in Minato-ku, Tokyo) with Mitsubishi Rayon Co., Ltd., and this new venture began operation. We seek to develop attractive products by blending the expertise and technologies possessed by each of the joint partners. We will also establish an efficient production structure that draws on economies of scale, and will increase sales by bolster our ability to supply products as quickly as possible, enhancing the earning power of the operations.

The Group is also stepping up efforts to develop an “internal control system relating to financial information” that conforms to the Financial Instruments Exchange Law, scheduled to be introduced in April 2008. With these initiatives, the Group aims to improve the reliability of its financial reports. At the same time, it will work to increase the efficiency and clarity of corporate management, and bolster governance, by steadily created and operating the internal control systems stipulated in the Company Law.

(4) Other important matters for corporate management:

No corresponding item exists.

4. Consolidated interim financial statements

(1) Consolidated interim balance sheets

Item	Note number	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed consolidated balance sheets for previous consolidated fiscal year (March 31, 2007)	
		Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Assets							
I Current assets							
1		3,600		3,556		3,651	
2	*5	25,763		24,735		31,243	
3		957		960		858	
4		892		-		-	
5		8,721		9,574		9,082	
6		564		1,062		780	
7		2,723		1,091		2,752	
		(189)		(150)		(68)	
		43,032	58.8	40,831	58.9	48,200	61.8
II Fixed assets							
(1) Tangible fixed assets							
1	*1	17,489		18,084		17,661	
		11,498	5,990	12,124	5,960	11,697	5,964
2	*1	20,624		21,263		20,788	
		17,668	2,955	18,331	2,932	17,719	3,069
3		2,227		2,320		2,259	
		1,739	488	1,882	437	1,820	438
4	*1	8,778		8,739		8,739	
5		158		130		79	
		18,371	25.1	18,200	26.2	18,290	23.4
		1,810		1,585		1,815	
		1,810	2.4	1,585	2.3	1,815	2.3
(2) Intangible assets							
(3) Investments and other assets							
1		7,330		5,858		6,975	
2		423		277		412	
3		503		797		563	
4		2,854		2,651		2,665	
		(1,105)		(885)		(90)	
		10,007	13.7	8,700	12.6	9,727	12.5
		30,189	41.2	28,487	41.1	29,833	38.2
		73,222	100.0	69,318	100.0	78,034	100.0

Item	Note number	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed consolidated balance sheets for previous consolidated fiscal year (March 31, 2007)		
		Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	
Liabilities								
I Current liabilities								
1	Notes and accounts payable	*5	25,472		23,176		29,201	
2	Short-term borrowings	*1	3,396		-		600	
3	Current portion of long-term debt		-		3,700		3,145	
4	Bonds for redemption within current year		-		1,000		1,000	
5	Accrued corporation taxes		216		77		414	
6	Accrued expenses		1,498		1,429		1,707	
7	Reserve for bonus payable		693		705		794	
8	Other current liabilities		1,094		883		795	
	Total current liabilities		32,369	44.2	30,972	44.7	37,658	48.3
II Fixed liabilities								
1	Bonds		1,000		-		-	
2	Long-term borrowings		6,600		5,600		6,200	
3	Reserve for retirement allowance		5,135		4,628		4,866	
4	Reserve for severance indemnities to directors and corporate auditors		297		229		325	
5	Other long-term liabilities		1,711		1,629		1,643	
	Total long-term liabilities		14,744	20.1	12,087	17.4	13,035	16.7
	Total liabilities		47,114	64.3	43,059	62.1	50,693	65.0

Item	Note number	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed consolidated balance sheets for previous consolidated fiscal year (March 31, 2007)	
		Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Net assets							
I Shareholders' equity							
1 Paid in Capital		6,855	9.3	6,855	9.9	6,855	8.8
2 Capital surplus		6,468	8.8	6,488	9.3	6,468	8.3
3 Earned Surplus		10,514	14.4	11,357	16.4	12,077	15.5
4 Treasury stock		(758)	(1.0)	(698)	(1.0)	(911)	(1.2)
Total shareholders' equity		23,080	31.5	24,003	34.6	24,490	31.4
II Unrealized gain (loss) and translation gain(loss)							
1 Unrealized gain (loss) on securities		2,826	3.9	1,994	2.9	2,624	3.4
2 Equity adjustment from foreign currency translation		5	0.0	28	0.0	16	0.0
Total unrealized gain (loss) and translation gain(loss)		2,831	3.9	2,022	2.9	2,640	3.4
III Minority interests in consolidated subsidiaries		196	0.3	232	0.4	209	0.2
Total net assets		26,108	35.7	26,258	37.9	27,340	35.0
Total liabilities and net assets		73,222	100.0	69,318	100.0	78,034	100.0

(2) Consolidated interim statements of income

Item	Note number	Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)		Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)		Condensed consolidated statements of income for previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)				
		Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)			
I Net sales			45,988	100.0		45,674	100.0		100,936	100.0
II Cost of sales			34,120	74.2		33,966	74.4		74,775	74.1
Gross profit			11,868	25.8		11,708	25.6		26,161	25.9
III Selling and administrative expenses										
1 Shipping expenses		2,614			2,696			5,656		
2 Advertising expenses		1,079			1,068			2,055		
3 Provision for allowance for doubtful receivables		14			1			4		
4 Salaries and bonuses		2,898			2,974			6,342		
5 Provision for allowance for bonuses		525			514			619		
6 Depreciation and amortization		520			514			1,054		
7 Other expenses		4,040	11,694	25.4	4,158	11,927	26.1	8,228	23,960	23.7
Operating income or loss			173	0.4		(219)	(0.5)		2,200	2.2
IV Non-operating income										
1 Interest income		12			13			21		
2 Dividend income		32			37			55		
3 Purchase discount		46			39			85		
4 Rent on real estate		68			50			128		
5 Profit (loss) on equity method investment		57			-			29		
6 Insurance dividend received		24			16			77		
7 Other expenses		75	318	0.7	51	209	0.5	137	535	0.5
V Non-operating expenses										
1 Interest expense		82			94			173		
2 Sales discount		51			56			113		
3 Loss on inventories		46			81			175		
4 Profit (loss) on equity method investment		-			4			-		
5 Other expenses		67	248	0.6	65	302	0.7	145	607	0.6
Ordinary income or ordinary loss			243	0.5		(312)	(0.7)		2,128	2.1

Item	Note number	Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)		Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)		Condensed consolidated statements of income for previous consolidated fiscal year (From April 1, 2006 until March 30, 2007)	
		Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
VI Extraordinary income							
1 Gain on sale of fixed assets	*1	1		9		3	
2 Gain on sale of investment securities		121		-		264	
3 Adjustment for allowance for doubtful receivables		28	151	17	26	44	312
			0.4		0.1		0.3
VII Extraordinary loss							
1 Loss on sale of fixed assets	*1	-		6		2	
2 Loss on disposal of fixed assets	*2	10		33		43	
3 Write-down of investment securities		82		1		84	
4 Loss on valuation of affiliate shares		-		5		-	
5 Write-down of membership, etc.	*3	23		4		32	
6 Loss from bad debts		22		-		22	
7 Loss on business restructuring	*4	-	138	-	51	235	420
			0.3		0.1		0.4
Interim net income (net income) or interim net loss (net loss) before tax and other adjustments			256		(338)		2,019
			0.6		(0.7)		2.0
Corporation tax, local inhabitants taxes, and enterprise taxes		176		29		541	
Prior period adjustment		(70)		-		(70)	
Prior period refund		-		-		(25)	
Deferred corporation tax		100	207	(72)	(42)	(40)	404
			0.5		(0.1)		0.4
Minority interests in consolidated subsidiaries (brackets denote losses)			(7)		(18)		(4)
			(0.0)		(0.0)		(0.0)
Interim net income (net income) or interim net loss (net loss)			56		(276)		1,619
			0.1		(0.6)		1.6

(3) Consolidated interim statements of changes in shareholders' equity, etc.

Previous consolidated interim accounting term (from April 1, 2006 to September 30, 2007)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006 (million yen)	6,855	6,468	10,932	(756)	23,500
Changes in amount during consolidated interim accounting term					
Dividend payment from retained earnings (Note)			(447)		(447)
Bonuses to directors and corporate auditors (Note)			(27)		(27)
Interim net income			56		56
Purchases of treasury stock				(2)	(2)
Disposal of treasury stock		0		0	0
Changes in items other than treasury stock during consolidated interim accounting term (net amount)					
Total amount of changes during consolidated interim accounting term (million yen)	-	0	(417)	(2)	(419)
Balance as of September 30, 2006 (million yen)	6,855	6,468	10,514	(758)	23,080

	Unrealized gain (loss) and equity adjustment from currency translation, etc.			Minority interests	Total net assets
	Unrealized gain (loss) on securities	Equity adjustment from foreign currency translation	Total unrealized gain (loss) on securities and equity adjustment from currency translation, etc.		
Balance as of March 31, 2006 (million yen)	3,699	7	3,707	205	27,413
Changes in amount during consolidated interim accounting term					
Dividend payment from retained earnings (Note)					(447)
Bonuses to directors and corporate auditors (Note)					(27)
Interim net income					56
Purchases of treasury stock					(2)
Disposal of treasury stock					0
Changes in items other than treasury stock during consolidated interim accounting term (net amount)	(872)	(2)	(875)	(9)	(885)
Total amount of changes during consolidated interim accounting term (million yen)	(872)	(2)	(875)	(9)	(1,304)
Balance as of September 30, 2006 (million yen)	2,826	5	2,831	196	26,108

Note: Items for appropriation of income approved at the regular general meeting of shareholders held in June 2006

Current consolidated interim accounting term (from April 1, 2007 to September 30, 2007)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007 (million yen)	6,855	6,468	12,077	(911)	24,490
Changes in amount during consolidated interim accounting term					
Dividend payment from retained earnings			(443)		(443)
Interim net loss			(276)		(276)
Purchases of treasury stock				(2)	(2)
Disposal of treasury stock		19		216	235
Changes in items other than treasury stock during consolidated interim accounting term (net amount)					
Total amount of changes during consolidated interim accounting term (million yen)	-	19	(720)	213	(486)
Balance as of September 30, 2007 (million yen)	6,855	6,488	11,357	(698)	24,003

	Unrealized gain (loss) and equity adjustment from currency translation, etc.			Minority interests	Total net assets
	Unrealized gain (loss) on securities	Equity adjustment from foreign currency translation	Total unrealized gain (loss) on securities and equity adjustment from currency translation, etc.		
Balance as of March 31, 2007 (million yen)	2,624	16	2,640	209	27,340
Changes in amount during consolidated interim accounting term					
Dividend payment from retained earnings					(443)
Interim net loss					(276)
Purchases of treasury stock					(2)
Disposal of treasury stock					235
Changes in items other than treasury stock during consolidated interim accounting term (net amount)	(630)	12	(618)	23	(594)
Total amount of changes during consolidated interim accounting term (million yen)	(630)	12	(618)	23	(1,081)
Balance as of September 30, 2007 (million yen)	1,994	28	2,022	232	26,258

Previous consolidated fiscal year (from April 1, 2006 to March 31, 2007)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006 (million yen)	6,855	6,468	10,932	(756)	23,500
Change in amount during consolidated fiscal year					
Dividend payment from retained earnings (Note)			(447)		(447)
Bonuses to directors and corporate auditors (Note)			(27)		(27)
Net income			1,619		1,619
Purchases of treasury stock				(155)	(155)
Disposal of treasury stock		0		0	0
Changes in items other than treasury stock during consolidated fiscal year (Net amount)					
Total amount of changes during consolidated fiscal year (million yen)	-	0	1,145	(155)	990
Balance as of March 31, 2007 (million yen)	6,855	6,468	12,077	(911)	24,490

	Unrealized gain (loss) and equity adjustment from currency translation, etc.			Minority interests	Total net assets
	Unrealized gain (loss) on securities	Equity adjustment from foreign currency translation	Total unrealized gain (loss) on securities and equity adjustment from currency translation, etc.		
Balance as of March 31, 2006 (million yen)	3,699	7	3,707	205	27,413
Change in amount during consolidated fiscal year					
Dividend payment from retained earnings (Note)					(447)
Bonuses to directors and corporate auditors (Note)					(27)
Net income					1,619
Purchases of treasury stock					(155)
Disposal of treasury stock					0
Changes in items other than treasury stock during consolidated fiscal year (Net amount)	(1,074)	8	(1,066)	3	(1,062)
Total amount of changes during consolidated fiscal year (million yen)	(1,074)	8	(1,066)	3	(72)
Balance as of March 31, 2007 (million yen)	2,624	16	2,640	209	27,340

Note: Items for appropriation of income approved at the regular general meeting of shareholders held in June 2006

(4) Consolidated interim statements of cash flows

		Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)	Condensed consolidated statements of cash flows for previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
Item	Note number	Amount (million yen)	Amount (million yen)	Amount (million yen)
I Cash flows from operating activities				
Interim net income (net income) or interim net loss (net loss) before tax and other adjustments		256	(338)	2,019
Depreciation and amortization		854	938	1,777
Loss on disposal of fixed assets		10	33	43
Gain or loss on sale of fixed assets (brackets denote a gain)		(1)	(2)	(1)
Gains or loss on sale of investment securities (brackets denote a gain)		(121)	0	(264)
Write-down of investment securities		82	6	84
Change in allowance for doubtful receivables (brackets denote a decrease)		(20)	(22)	(257)
Change in reserve for retirement allowance (brackets denote a decrease)		(204)	(237)	(491)
Change in reserve for severance indemnities to directors and corporate auditors (brackets denote a decrease)		3	(96)	30
Equity in earnings or loss of subsidiary or affiliated company (brackets denote a gain)		(57)	4	(29)
Interest and dividend income		(45)	(51)	(77)
Interest expense		82	94	173
Change in trade receivables (brackets denote an increase)		3,673	6,381	(1,639)
Change in trust beneficiary rights (brackets denote an increase)		-	-	978
Change in inventories (brackets denote an increase)		(960)	(308)	(1,321)
Change in trade payables (brackets denote a decrease)		(1,561)	(4,358)	2,270
Other		(112)	(722)	308
Sub total		1,877	1,319	3,604
Interest and dividend received		45	51	77
Interest paid		(85)	(94)	(170)
Surcharge paid		(267)	-	(267)
Income taxes paid		(1,088)	106	(1,741)
Cash flows from operating activities		480	1,383	1,501

		Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)	Condensed consolidated statements of cash flows for previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
Item	Note number	Amount (million yen)	Amount (million yen)	Amount (million yen)
II Cash flows from investing activities				
Acquisition of tangible fixed assets		(347)	(304)	(770)
Proceeds of tangible fixed assets		9	67	53
Acquisition of intangible fixed assets		(259)	(61)	(582)
Acquisition of investment securities		(22)	(239)	(126)
Proceeds from sale of investment securities		171	0	407
Increase in loans		(246)	(8)	(431)
Income from loan collection		294	54	596
Proceeds from acquisition of stock of new consolidated subsidiary		-	-	54
Other		181	(23)	14
Cash flows from investing activities		(219)	(513)	(784)
III Cash flows from financing activities				
Net change in short-term debts (brackets denotes a decrease)		1,094	(600)	(525)
Extension of long-term debt		1,700	1,500	2,900
Repayment of long-term debt		(2,612)	(1,545)	(2,663)
Redemption of convertible bond		(500)	-	(500)
Proceeds and payments from sale and acquisition of treasury stock		(1)	(2)	(155)
Proceeds from sale of treasury stock		-	235	-
Payment to minority shareholders		-	(4)	-
Income from payment by minority shareholders		-	-	10
Dividends paid		(447)	(443)	(447)
Dividends, etc. paid to minority shareholders		(1)	(6)	(1)
Cash flows from financing activities		(768)	(866)	(1,382)
IV Change in cash and cash equivalents (brackets denotes a decrease)		(507)	3	(664)
V Cash and cash equivalents at beginning of year		5,062	4,398	5,062
VI Change in cash and cash equivalents due to additional consolidation		-	3	-
VII Cash and cash equivalents at end of interim term (end of fiscal year)		4,555	4,404	4,398

(5) Basis of presenting consolidated interim financial statements

1 Matters related to the scope of consolidation

(1) The number of consolidated subsidiaries is 14

Main consolidated subsidiaries

LIC Co. Ltd, Shiga TOLI Carpet Co., Ltd., KIRONY Co., Ltd., HOKKAIDO TOLI Corporation, Toli Warehouse and Distribution Company, Limited., TOLI INTERIAKIKAKU Corporation, Hiroka TOLI Floor Co., Ltd., GRACE CARPET LIMITED, Santen TOLI Co., Ltd., DIA•CARPET CO., LTD. and MRM Gifu Company, Limited

We changed the status of GRACE CARPET LIMITED from an equity method affiliate to a consolidated subsidiary in the consolidated interim accounting term under review in accordance with its increased importance.

We removed Otsuka TOLI Carpet from our scope of consolidation following completion of its liquidation procedure.

(2) Names of main non-consolidated subsidiaries, etc.

Main non-consolidated subsidiaries

Japan Reform System Co., Ltd., Hokkaido TOLI Sewing Co., Ltd., Interior System Support Co., Ltd.

(The reason for the exclusion from consolidation)

These non-consolidated subsidiaries have been excluded from consolidation because they have no material effect on the consolidated interim financial statements due to the small size of their operations, in light of their total assets, net sales and net profit or loss (the amount corresponding to equity), etc.

2 Matters concerning the application of equity method

(1) Number of non-consolidated subsidiaries with equity method applied: one

Company name: Works Co., Ltd.

(2) Number of affiliated companies with equity method applied: two

Company name: True Heart Co., Ltd., Changzhou Liberty Toli Building Material Company Limited

(3) Non-consolidated subsidiaries not under the equity method (Japan Reform System Co., Ltd., Hokkaido TOLI Sewing Co., Ltd., and others) and affiliated companies (Naigai Carpet Kako Co., Ltd., TOLI Hiroshima Sewing Co., Ltd. and others) have been excluded from the scope of application of the equity method, because of their negligible effects on net profit or loss (the amount corresponding to equity) and retained earnings (the amount corresponding to equity), and because they have no material effect on the overall results.

3 Matters pertaining to interim closing dates of consolidated subsidiaries

The interim closing date for each of the consolidated subsidiaries matches the consolidated interim closing date.

4 Accounting policies

(1) Valuation standards and method for important assets

1) Securities

Other Securities

Securities with market value

Market value method based on the market price on the last day of the consolidated interim accounting term, etc. (variance from valuation is processed as a component of shareholders' equity, and the cost of securities sold is calculated using the moving average method.)

Securities without market value

Moving average cost method

2) Inventories

Mainly periodic average cost method

3) Derivatives

Market value method

- (2) Depreciation method for important depreciable assets
- 1) Tangible fixed assets
The fixed rate method is mainly applied. However, for buildings acquired after April 1, 1998 (excluding equipment attached to buildings), the fixed amount method is applied. The effective lives of buildings and structures are three to 65 years. The effective lives for machinery and vehicles are seven to 15 years.
 - 2) Intangible assets
The fixed amount method is applied. However, for software (used by the Company), the fixed amount method based on an estimated useful life of five years is applied.
- (3) Basis for calculating allowances
- 1) Allowance for doubtful receivables
In anticipation of potential loan losses, the Company posts non-recoverable amounts based on the loan loss ratio for general debts and in consideration of the collectability of specific debts including possible bad debts.
 - 2) Reserve for bonus payable
A reserve for bonuses payable is recorded based on the estimated amount of bonuses to employees.
 - 3) Reserve for retirement allowance
An amount deemed to have emerged at the end of the current consolidated interim accounting term is recorded as a reserve for retirement allowance, based on the estimated retirement benefit obligations and pension assets at the end of the fiscal year. Past service liabilities and actuarial differences are recorded as expenses based on the fixed amount method for certain years within the employees' average remaining periods (mainly 10 years) at the time of the occurrence from the current fiscal year and following fiscal year respectively.
 - 4) Reserve for severance indemnities to directors and corporate auditors
The submitting company and certain consolidated subsidiaries (LIC Co. Ltd, HOKKAIDO TOLI Corporation, DIA•CARPET CO., LTD. and TECHNO KAMEI CORPORATION) record the amounts required at the end of the current consolidated interim accounting term, under internal regulations in anticipation of severance indemnities to directors and executive officers.
Reserve for severance indemnities to executive officers (53 million yen in the current consolidated interim accounting term) had been included in "accrued expenses" until the previous consolidated fiscal year. In consideration of past payments, etc., we record the reserve under "reserve for severance indemnities to directors and corporate auditors," starting the current interim term.
The amounts of the concerned reserve included in "accrued expenses" were 61 million yen in the previous consolidated interim accounting term and 49 million yen in the previous consolidated fiscal year, respectively.
- (4) Standards for translating assets or liabilities in foreign currencies into yen-denominated assets and liabilities
Monetary assets and liabilities denominated in foreign currencies are translated into yen-denominated assets and liabilities based on the spot exchange rate at the closing day. Translation differences are recorded as gains or losses.
- (5) Accounting of lease transactions
The same accounting method applied to ordinary lease transactions is applied to finance lease transactions except those where the ownership of property is considered to be transferred to the lessee.
- (6) Hedge accounting method
- 1) Hedge accounting method
Deferred hedge accounting is applied. Preferential procedures are employed for interest swap transactions satisfying requirements for preferential procedures.
 - 2) Hedging instruments and hedging targets
Hedging instruments Interest rate swap, Commodities Derivatives
Hedging targets Borrowing interest, Raw materials
 - 3) Hedging policy
The Company hedges interest rate risks and raw material price fluctuation risks under the Derivatives Management Regulations. The Company has a policy of not engaging in derivatives transactions for the purpose of trading or speculation.

- 4) Method of valuating the effectiveness of hedging
The Company evaluates the relationships between price fluctuations of the hedging targets and market fluctuations of hedging instruments and the effectiveness of hedging by using statistical methods including regression analysis. Since interest rate swaps meet the requirements for preferential procedures, the Company omits the evaluation of their effectiveness.
- (7) Accounting of consumption tax etc.
The tax exclusion method is employed.
Consumption tax, etc. paid temporarily and consumption tax, etc. received temporarily are balanced out, and included in “others” under current liabilities.
5. Scope of funds in consolidated interim statements of cash flows
Funds consist of cash on hand, deposits that can be withdrawn as needed, and easily convertible short-term investments that mature within three months of the trading day for which there are only small risks of price fluctuations.

(6) Changes in the basis of presenting consolidated interim financial statements

(Changes in accounting policies)

Following the revision of the Corporation Tax Law, the method for depreciating tangible fixed assets acquired on or after April 1, 2007 was changed to the method prescribed in the revised Corporation Tax Law in the current consolidated interim accounting term.

The effect of the change on profit or loss is minor.

(Additional information)

Following the revision of the Corporation Tax Law, for tangible fixed assets acquired on or before March 31, 2007, the balance of an amount equivalent to 5% of the acquisition value and the memorandum price is depreciated in a straight-line method and recorded as depreciation expenses for a period of five years, starting in the consolidated fiscal year after the fiscal year in which depreciation based on a method stipulated in the pre-revision Corporation Tax Law reaches 5% of the acquisition value.

As a result of the change, gross profit decreased 64 million yen, operating loss increased 76 million yen, ordinary loss grew 77 million yen, and interim net loss before tax and other adjustments rose 77 million yen.

An impact on segment information is described the segment information section.

(7) Notes related to consolidated interim financial statements

(Notes related to consolidated interim balance sheets)

End of previous consolidated interim accounting term (September 30, 2006)	End of current consolidated interim accounting term (September 30, 2007)	Condensed consolidated balance sheets for previous consolidated fiscal year (March 31, 2007)																																													
<p>*1 Pledged assets</p> <p>Pledged assets</p> <table> <tr> <td>Buildings and structures</td> <td>1,483 million yen</td> <td>(1,483 million yen)</td> </tr> <tr> <td>Machinery and vehicles</td> <td>1,322 million yen</td> <td>(1,322 million yen)</td> </tr> <tr> <td>Land</td> <td>68 million yen</td> <td>(68 million yen)</td> </tr> <tr> <td>Total</td> <td>2,874 million yen</td> <td>(2,874 million yen)</td> </tr> </table> <p>Liabilities corresponding to the above assets</p> <table> <tr> <td>Short-term borrowings</td> <td>420 million yen</td> <td>(420 million yen)</td> </tr> </table> <p>Figures in brackets show the value of the pledged assets of the factory foundation and the corresponding liabilities.</p> <p>In addition to the above assets, consolidated subsidiaries' land (book value of 266 million yen at the end of the interim term) and buildings (book value of 127 million yen at the end of the same term) are pledged as a joint mortgage of 26 companies of the Mishima Sawazi Industrial Park Cooperative for borrowings of 778 million yen of the cooperative.</p> <p>2 Debt guarantee</p> <p>(1) The Company guarantees the following liabilities on purchases of the following company:</p> <table> <tr> <td>Kyushu KIRONY Co., Ltd.</td> <td>0 million yen</td> </tr> </table> <p>(2) The Company guarantees the following lease obligations of the following company:</p> <table> <tr> <td>Kingrun M.I.D Co., Ltd.</td> <td>1 million yen</td> </tr> </table> <p>In addition to the above, consolidated subsidiaries co-sign a loan of 600 million yen owed by the Mishima Sawazi Industrial Park Cooperative jointly with 26 companies of the cooperative.</p> <p>3 —</p> <p>4 Discounted notes receivable</p> <table> <tr> <td>Discounted notes receivable</td> <td>32 million yen</td> </tr> </table> <p>*5 Notes due at the end of consolidated interim accounting term</p> <p>Notes due at the end of the consolidated interim accounting term are settled on the date of bill clearing. Since the last day of the consolidated interim accounting term fell on a bank holiday, the following notes due at the end of the consolidated interim accounting term are included in the term-end balance:</p> <table> <tr> <td>Notes receivable</td> <td>872 million yen</td> </tr> <tr> <td>Notes payable</td> <td>611 million yen</td> </tr> </table>	Buildings and structures	1,483 million yen	(1,483 million yen)	Machinery and vehicles	1,322 million yen	(1,322 million yen)	Land	68 million yen	(68 million yen)	Total	2,874 million yen	(2,874 million yen)	Short-term borrowings	420 million yen	(420 million yen)	Kyushu KIRONY Co., Ltd.	0 million yen	Kingrun M.I.D Co., Ltd.	1 million yen	Discounted notes receivable	32 million yen	Notes receivable	872 million yen	Notes payable	611 million yen	<p>*1 Pledged assets</p> <p>Consolidated subsidiaries' land (book value of 266 million yen at the term end) and buildings (book value of 119 million yen at the term end) are pledged as a joint mortgage of 26 companies of the Mishima Sawazi Industrial Park Cooperative for borrowings of 622 million yen of the cooperative.</p> <p>2 Debt guarantee</p> <p>Consolidated subsidiaries co-sign a loan of 600 million yen owed by the Mishima Sawazi Industrial Park Cooperative jointly with 26 companies of the cooperative.</p> <p>3 Obligation to buy back in association of liquidation of loans</p> <table> <tr> <td></td> <td>633 million yen</td> </tr> </table> <p>4 Discounted notes receivable</p> <table> <tr> <td>Discounted notes receivable</td> <td>37 million yen</td> </tr> </table> <p>*5 Notes due at the end of consolidated interim accounting term</p> <p>Notes due at the end of the consolidated interim accounting term are settled on the date of bill clearing. Since the last day of the consolidated interim accounting term fell on a bank holiday, the following notes due at the end of the consolidated interim accounting term are included in the term-end balance:</p> <table> <tr> <td>Notes receivable</td> <td>973 million yen</td> </tr> <tr> <td>Notes payable</td> <td>529 million yen</td> </tr> </table>		633 million yen	Discounted notes receivable	37 million yen	Notes receivable	973 million yen	Notes payable	529 million yen	<p>*1 Pledged assets</p> <p>Consolidated subsidiaries' land (book value of 266 million yen at the term end) and buildings (book value of 123 million yen at the term end) are pledged as a joint mortgage of 26 companies of the Mishima Sawazi Industrial Park Cooperative for borrowings of 700 million yen of the cooperative.</p> <p>2 Debt guarantee</p> <p>(1) The Company guarantees the following liabilities on purchases of the following company:</p> <table> <tr> <td>Kyushu KIRONY Co., Ltd.</td> <td>1 million yen</td> </tr> </table> <p>(2) The Company guarantees the following lease obligations of the following company:</p> <table> <tr> <td>Kingrun M.I.D Co., Ltd.</td> <td>1 million yen</td> </tr> </table> <p>In addition to the above, consolidated subsidiaries co-sign a loan of 600 million yen owed by the Mishima Sawazi Industrial Park Cooperative jointly with 26 companies of the cooperative.</p> <p>3 Obligation to buy back in association of liquidation of loans</p> <table> <tr> <td></td> <td>650 million yen</td> </tr> </table> <p>4 Discounted notes receivable</p> <table> <tr> <td>Discounted notes receivable</td> <td>44 million yen</td> </tr> </table> <p>*5 Notes due at the end of the fiscal year</p> <p>Notes due at the end of the fiscal year are settled on the date of bill clearing. Since the last day of the consolidated fiscal year fell on a bank holiday, the following notes due at the end of the fiscal year are included in the term-end balance:</p> <table> <tr> <td>Notes receivable</td> <td>1,002 million yen</td> </tr> <tr> <td>Notes payable</td> <td>512 million yen</td> </tr> </table>	Kyushu KIRONY Co., Ltd.	1 million yen	Kingrun M.I.D Co., Ltd.	1 million yen		650 million yen	Discounted notes receivable	44 million yen	Notes receivable	1,002 million yen	Notes payable	512 million yen
Buildings and structures	1,483 million yen	(1,483 million yen)																																													
Machinery and vehicles	1,322 million yen	(1,322 million yen)																																													
Land	68 million yen	(68 million yen)																																													
Total	2,874 million yen	(2,874 million yen)																																													
Short-term borrowings	420 million yen	(420 million yen)																																													
Kyushu KIRONY Co., Ltd.	0 million yen																																														
Kingrun M.I.D Co., Ltd.	1 million yen																																														
Discounted notes receivable	32 million yen																																														
Notes receivable	872 million yen																																														
Notes payable	611 million yen																																														
	633 million yen																																														
Discounted notes receivable	37 million yen																																														
Notes receivable	973 million yen																																														
Notes payable	529 million yen																																														
Kyushu KIRONY Co., Ltd.	1 million yen																																														
Kingrun M.I.D Co., Ltd.	1 million yen																																														
	650 million yen																																														
Discounted notes receivable	44 million yen																																														
Notes receivable	1,002 million yen																																														
Notes payable	512 million yen																																														

(Notes on consolidated interim statements of income)

Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)	Condensed consolidated balance sheets for previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
<p>*1 The gain on sale of fixed assets is a gain on sale of machinery and vehicles.</p> <p>*2 The loss on disposal of fixed assets includes a loss on disposal of machinery and vehicles of 8 million yen and a loss on disposal of buildings and structures of 1 million yen.</p> <p>*3 —</p> <p>*4 —</p>	<p>*1 The gain on sale of fixed assets includes a gain on sale of machinery and vehicles of 9 million yen. The loss on sale of fixed assets includes a loss on sale of machinery and vehicles of 4 million yen and a loss on sale of buildings and structures of 2 million yen.</p> <p>*2 The loss on disposal of fixed assets includes a loss on disposal of machinery and vehicles of 4 million yen, a loss on disposal of tools and equipment of 3 million yen and a loss on fixed assets removal of 24 million yen.</p> <p>*3 The loss on valuation of membership includes provision for allowance for doubtful receivables of 3 million yen.</p> <p>*4 —</p>	<p>*1 The gain on sale of fixed assets includes a gain on sale of land of 2 million yen and a gain on sale of machinery and vehicles of 1 million yen. The loss of sale of fixed assets is a loss on sale of machinery and vehicles of 2 million yen.</p> <p>*2 The loss on disposal of fixed assets includes a loss on disposal of machinery and vehicles of 29 million yen and a loss on disposal of tools and equipment of 14 million yen.</p> <p>*3 The loss on valuation of membership includes provision for allowance for doubtful receivables of 20 million yen.</p> <p>*4 The loss on business restructuring consists of a loss on disposal of inventory assets of 75 million yen associated with the liquidation of KIRONO Co., Ltd. (Minato-ku, Tokyo) and a loss on business restructuring of TECHNO KAMEI CORPORATION of 160 million yen.</p>

(Notes Related to Consolidated Interim Statements of Changes in Shareholders' Equity)

Previous consolidated interim accounting term (from April 1, 2006 to September 30, 2006)

1 Matters pertaining to the type and total number of stocks issued, and the type and number of treasury stocks

Type of stock	Number of shares at the end of previous consolidated fiscal year (shares)	Increase in the number of shares during previous consolidated interim accounting term (shares)	Decrease in the number of shares during previous consolidated interim accounting term (shares)	Number of shares at the end of previous consolidated interim accounting term (shares)
Stock issued				
Common stock	66,829,249	-	-	66,829,249
Total	66,829,249	-	-	66,829,249
Treasury stock				
Common stock	2,953,450	6,286	1,760	2,957,976
Total	2,953,450	6,286	1,760	2,957,976

(Note) The increase in treasury common stock by 6,286 shares reflects to requests for the acquisition of odd-lot shares. The decrease in such stock by 1,760 shares is because of requests for the further purchase of odd-lot shares.

2 Matters pertaining to dividends

(1) Dividend payment

Relevant resolution	Type of stock	Total dividends (million yen)	Dividend per share (yen)	Date of record	Effective from
Regular general meeting of shareholders held on June 29, 2006	Common stock	447	7.00	March 31, 2006	June 30, 2006

- (2) Dividends for which the date of record fell in the previous consolidated interim accounting term, but for which the date on which the relevant resolution took effect fell after the previous consolidated interim accounting term
No corresponding item exists.

Current consolidated interim accounting term (from April 1, 2007 to September 30, 2007)

1 Matters pertaining to the type and total number of stocks issued, and the type and number of treasury stocks

Type of stock	Number of shares at the end of previous consolidated fiscal year (shares)	Increase in the number of shares during current consolidated interim accounting term (shares)	Decrease in the number of shares during current consolidated interim accounting term (shares)	Number of shares at the end of current consolidated interim accounting term (shares)
Stock issued				
Common stock	66,829,249	-	-	66,829,249
Total	66,829,249	-	-	66,829,249
Treasury stock				
Common stock	3,454,779	8,152	818,916	2,644,015
Total	3,454,779	8,152	818,916	2,644,015

(Summary of reasons for changes)

A breakdown in the increase in the number of treasury common stock is as follows.

Increase due to request for acquisition of shares less than unit stock: 8,152 shares

A breakdown in the decrease in the number of treasury common stock is as follows.

Decrease because of private placement based on Board of Directors resolution: 818,000 shares

Decrease due to request for further purchase of shares less than unit stock: 916 shares

2 Matters pertaining to dividends

(1) Dividend payment

Relevant resolution	Type of stock	Total dividends (million yen)	Dividend per share (yen)	Date of record	Effective from
Regular general meeting of shareholders held on June 28, 2007	Common stock	443	7.00	March 31, 2007	June 29, 2007

(2) Dividends for which the date of record falls in the current consolidated interim accounting term, but for which the date on which the relevant resolution takes effect falls after the current consolidated interim accounting term

No corresponding item exists.

Previous consolidated fiscal year (from April 1, 2006 to March 31, 2007)

1 Matters pertaining to the type and total number of stocks issued, and the type and number of treasury stocks

Type of stock	Number of shares at the end of previous consolidated fiscal year (shares)	Increase in the number of shares during current consolidated fiscal year (shares)	Decrease in the number of shares during current consolidated fiscal year (shares)	Number of shares at the end of current consolidated fiscal year (shares)
Stock issued				
Common stock	66,829,249	-	-	66,829,249
Total	66,829,249	-	-	66,829,249
Treasury stock				
Common stock	2,953,450	503,205	1,876	3,454,779
Total	2,953,450	503,205	1,876	3,454,779

(Summary of reasons for changes)

A breakdown in the increase in the number of treasury common stock is as follows.

Increase due to acquisition in the market based on resolution of the Board of Directors: 487,000 shares

Increase due to request for acquisition of shares less than unit stock: 16,205 shares

A breakdown in the decrease in the number of treasury common stock is as follows.

Decrease due to request for further purchase of shares less than unit stock: 1,876 shares

2 Matters pertaining to dividends

(1) Dividend payment

Relevant resolution	Type of stock	Total dividends (million yen)	Dividend per share (yen)	Date of record	Effective from
Regular general meeting of shareholders held on June 29, 2006	Common stock	447	7.00	March 31, 2006	June 30, 2006

(2) The dividends for which the date of record falls in current consolidated fiscal year, but for which the date on which the relevant resolution takes effect is in the next consolidated fiscal year

Relevant resolution	Type of stock	Dividend funds	Total dividends (million yen)	Dividend per share (yen)	Date of record	Effective from
Regular general meeting of shareholders held on June 28, 2007	Common stock	Retained earnings	443	7.00	March 31, 2007	June 29, 2007

(Notes related to consolidated interim statements of cash flows)

Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)	Previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
The relationship between cash and cash equivalents at the end of interim term and the itemized amount stated in consolidated interim balance sheets (As of September 30, 2006)	The relationship between cash and cash equivalents at the end of interim term and the itemized amount stated in consolidated interim balance sheets (As of September 30, 2007)	The relationship between cash and cash equivalents at the end of term and the itemized amount stated in Consolidated Balance Sheets (As of March 31, 2007)
Cash and deposit accounts 3,600 million yen	Cash and deposit accounts 3,556 million yen	Cash and deposit accounts 3,651 million yen
Time deposits over 3 months (2 million yen)	Time deposits over 3 months (112 million yen)	Time deposits over 3 months (112 million yen)
Securities accounts (MMF, etc.) 957 million yen	Securities accounts (MMF, etc.) 960 million yen	Securities accounts (MMF, etc.) 858 million yen
Cash and cash equivalents 4,555 million yen	Cash and cash equivalents 4,404 million yen	Cash and cash equivalents 4,398 million yen

(Segment Information)

1 Business segment information

Previous consolidated interim accounting term (from April 1, 2006 to September 30, 2006)

	Vinyl chloride products (million yen)	Textile products business (million yen)	Other businesses (million yen)	Total (million yen)	Elimination or Group-wide businesses (million yen)	Consolidated (million yen)
Net sales						
(1) Net sales to external customers	15,328	14,247	16,412	45,988	-	45,988
(2) Internal sales or transfers among segments	-	-	-	-	(-)	-
Total net sales	15,328	14,247	16,412	45,988	(-)	45,988
Operating expenses	14,204	14,497	16,327	45,029	785	45,815
Operating income or loss	1,124	(249)	85	959	(785)	173

Notes: 1 Business segments are determined based on units for sales aggregation.

2 Main products in each segment

(1) Vinyl chloride products segment: Vinyl-chloride tiles and vinyl chloride sheets

(2) Textile products business: Carpets, curtains

(3) Other businesses: Wallpaper, adhesives, blinds, etc.

3 Of operating expenses for the current consolidated interim accounting term under review, unallocatable operating expenses included in the segment of elimination or Group-wide businesses were 785 million yen.

They were mainly consisted of expenses related to the General Affairs and Personnel Department, the Accounting Department, etc. of the head office of the submitting company.

Current consolidated interim accounting term (from April 1, 2007 to September 30, 2007)

	Vinyl chloride products (million yen)	Textile products business (million yen)	Other businesses (million yen)	Total (million yen)	Elimination or Group-wide businesses (million yen)	Consolidated (million yen)
Net sales						
(1) Net sales to external customers	14,718	14,639	16,316	45,674	-	45,674
(2) Internal sales or transfers among segments	-	-	-	-	(-)	-
Total net sales	14,718	14,639	16,316	45,674	-	45,674
Operating expenses	14,043	14,773	16,290	45,107	786	45,893
Operating income or loss	675	(133)	25	567	(786)	(219)

Notes: 1 Business segments are determined based on units for sales aggregation.

2 Main products in each segment

(1) Vinyl chloride products segment: Vinyl-chloride tiles and vinyl chloride sheets

(2) Textile products business: Carpets, curtains

(3) Other businesses: Wallpaper, adhesives, blinds, etc.

3 Of operating expenses for the current consolidated interim accounting term under review, unallocatable operating expenses included in the segment of elimination or Group-wide businesses were 786 million yen.

They were mainly consisted of expenses related to the General Affairs and Personnel Department, the Accounting Department, etc. of the head office of the submitting company.

4 As stated in the "Changes in the basis of presenting consolidated interim financial statements (additional information), following the revision of the Corporation Tax Law, for tangible fixed assets acquired on or before March 31, 2007, the balance of an amount equivalent to 5% of the acquisition value and the memorandum price is depreciated in a straight-line method and recorded as depreciation expenses for a period of five years, starting the consolidated fiscal year after the fiscal year in which depreciation based on a method stipulated in the pre-revision Corporation Tax Law reaches 5% of the acquisition value.

As a result of the change, operating expenses increased 56 million yen for the vinyl chloride products

business, 16 million yen for the textile products business and 2 million yen for other businesses (no increase for the Group as a whole) in the current consolidated interim accounting term. Operating income decreased or the operating loss grew by the same amounts for the respective segments.

Previous consolidated fiscal year (from April 1, 2006 to March 31, 2007)

	Vinyl chloride products (million yen)	Textile products business (million yen)	Other businesses (million yen)	Total (million yen)	Elimination or Group-wide businesses (million yen)	Consolidated (million yen)
Net sales						
(1) Net sales to external customers	34,684	31,715	34,536	100,936	-	100,936
(2) Internal sales or transfers among segments	-	-	-	-	(-)	-
Total net sales	34,684	31,715	34,536	100,936	(-)	100,936
Operating expenses	31,594	31,461	34,106	97,161	1,574	98,736
Operating income	3,089	254	430	3,774	(1,574)	2,200

- Notes: 1 Business segments are determined based on units for sales aggregation.
2 Main products in each segment
(1) Vinyl chloride products segment: Vinyl-chloride tiles and vinyl chloride sheets
(2) Textile products business: Carpets, curtains
(3) Other businesses: Wallpaper, adhesives, blinds, etc.
3 Of operating expenses for the fiscal year under review, unallocatable operating expenses included in the segment of elimination or Group-wide businesses were 1,574 million yen. They were mainly consisted of expenses related to the General Affairs and Personnel Department, the Accounting Department, etc. of the head office of the submitting company.
4 As stated in "Change in accounting," the Accounting Standard for Directors' Bonus (Accounting Standard No.4 issued by the Accounting Standards Board of Japan on November 29, 2007) is applied, starting in the current consolidated fiscal year. As a result of this change, operating expenses increased 7 million yen for the vinyl chloride products business, 3 million yen for the textile products business and 2 million yen for other businesses (no increase for the Group as a whole) in the current consolidated fiscal year. Operating income decreased by the same amounts for respective segments.

2 Geographical segment information

Previous consolidated interim accounting term (from April 1, 2006 to September 30, 2006)

Not applicable, since the submitting company did not have overseas branches or consolidated subsidiaries.

Current consolidated interim accounting term (from April 1, 2007 to September 30, 2007)

Not applicable, since the submitting company did not have overseas branches or consolidated subsidiaries.

Previous consolidated fiscal year (from April 1, 2006 to March 31, 2007)

Not applicable, since the submitting company did not have overseas branches or consolidated subsidiaries.

3 Overseas sales

Previous consolidated interim accounting term (from April 1, 2006 to September 30, 2006)

Description of overseas sales is omitted because they were less than 10% of consolidated sales.

Current consolidated interim accounting term (from April 1, 2007 to September 30, 2007)

Description of overseas sales is omitted because they were less than 10% of consolidated sales.

Previous consolidated fiscal year (from April 1, 2006 to March 31, 2007)

Description of overseas sales is omitted because they were less than 10% of consolidated sales.

(Omission of disclosure)

Disclosure of items related to lease transactions, negotiable securities and derivatives transactions is omitted because they are not significant for the purposes of the interim financial statements.

(Per-share data)

Summary	Previous consolidated interim accounting term (From April 1, 2006 until September 31, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 31, 2007)	Previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
Net assets per share	405.69 yen	405.49 yen	428.12 yen
Interim net income per share (net income per share) or interim net loss per share	0.88 yen	(4.35 yen)	25.44 yen

- Notes: 1 Diluted net income per share is omitted because there was no potential dilution.
2 The basis for calculation of interim net income per share (net income per share) or interim net loss per share is as follows.

	Previous consolidated interim accounting term (From April 1, 2006 until September 30, 2006)	Current consolidated interim accounting term (From April 1, 2007 until September 30, 2007)	Previous consolidated fiscal year (From April 1, 2006 until March 31, 2007)
Interim net income (net income) or interim net loss (million yen) in the consolidated interim statements of income (consolidated statements of income)	56	(276)	1,619
Interim net income (net income) or interim net loss pertaining to common stock (million yen)	56	(276)	1,619
Amount not imputed to common shareholder (million yen)	-	-	-
Average number of common stock shares during the period (thousands of shares)	63,874	63,579	63,683

(Important post-balance sheet events)

No applicable item exists.

5 Company-specific interim financial statements
(1) Interim balance sheets

Item	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed balance sheets for previous fiscal year (March 31, 2007)	
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Assets						
I Current assets						
1 Cash and deposits	2,093		1,921		1,729	
2 Notes receivable	4,518		4,223		5,098	
3 Accounts receivable	14,236		14,387		18,164	
4 Securities	957		960		858	
5 Inventories	7,284		8,059		7,844	
6 Deferred tax assets	330		803		501	
7 Accounts receivable	2,619		2,953		3,332	
8 Other expenses	2,234		1,509		1,475	
Allowance for doubtful receivables	(92)		(105)		(93)	
Total current assets	34,183	57.8	34,713	59.8	38,913	61.3
II Fixed assets						
(1) Tangible fixed assets						
1 Buildings	4,496		4,333		4,417	
2 Machinery	2,101		1,865		2,038	
3 Land	6,075		6,075		6,075	
4 Other expenses	786		652		662	
(Total tangible fixed assets)	13,459	22.8	12,926	22.3	13,193	20.8
(2) Intangible assets	1,361		1,247		1,422	
(Total intangible assets)	1,361	2.3	1,247	2.2	1,422	2.3
(3) Investments and other assets						
1 Investment securities	7,412		6,432		7,162	
2 Long-term loans receivable	1,748		986		1,221	
3 Deferred tax assets	867		525		332	
4 Other expenses	1,491		1,283		1,325	
Allowance for doubtful receivables	(1,393)		(99)		(121)	
(Total investments and other assets)	10,125	17.1	9,128	15.7	9,921	15.6
Total fixed assets	24,946	42.2	23,301	40.2	24,537	38.7
Total assets	59,130	100.0	58,015	100.0	63,450	100.0

Item	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed balance sheets for previous fiscal year (March 31, 2007)	
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Liabilities						
I Current liabilities						
1 Notes payable	3,122		3,368		3,431	
2 Accounts payable	12,222		12,458		15,070	
3 Short-term borrowings	1,800		-		600	
4 Current portion of long-term debt	1,596		3,700		3,145	
5 Bonds for redemption within current year	-		1,000		1,000	
6 Accrued income taxes	50		47		40	
7 Accrued expenses	1,371		1,243		1,566	
8 Allowance for bonus payable	329		339		347	
9 Other expenses	2,448		2,785		3,361	
Total current liabilities	22,940	38.8	24,943	43.0	28,562	45.0
II Fixed liabilities						
1 Bonds	1,000		-		-	
2 Long-term debt	6,600		5,600		6,200	
3 Reserve for retirement allowance	4,128		3,640		3,870	
4 Reserve for severance indemnities to directors and corporate auditors	232		154		252	
5 Allowance for loss from investments	-		27		27	
6 Other expenses	1,577		1,558		1,563	
Total fixed liabilities	13,538	22.9	10,980	18.9	11,913	18.8
Total liabilities	36,479	61.7	35,924	61.9	40,476	63.8

Item	End of previous consolidated interim accounting term (September 30, 2006)		End of current consolidated interim accounting term (September 30, 2007)		Condensed balance sheets for previous fiscal year (March 31, 2007)	
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Net assets						
I Shareholders' equity						
(1) Common stock		6,855 11.6		6,855 11.8		6,855 10.8
(2) Capital surplus						
1 Additional paid-in capital	1,789		1,789		1,789	
2 Other capital surplus	4,679		4,698		4,679	
Total capital surplus		6,468 11.0		6,488 11.2		6,468 10.2
(3) Retained earnings						
Other retained earnings						
General reserve	6,300		6,800		6,300	
Retained earnings carried forward	1,218		811		1,860	
Total retained earnings		7,518 12.7		7,611 13.1		8,160 12.9
(4) Treasury stock		(758) (1.3)		(698) (1.2)		(911) (1.5)
Total shareholders' equity		20,084 34.0		20,257 34.9		20,573 32.4
II Unrealized gain (loss) and translation gain (loss)						
Unrealized gain (loss) on securities		2,566 4.3		1,833 3.2		2,400 3.8
Total unrealized gain (loss) on securities and translation gain (loss), etc.		2,566 4.3		1,833 3.2		2,400 3.8
Total net assets		22,650 38.3		22,091 38.1		22,974 36.2
Total liabilities and net assets		59,130 100.0		58,015 100.0		63,450 100.0

(2) Interim statements of income

Item	Previous interim accounting term (From April 1, 2006 until September 30, 2006)		Current interim accounting term (From April 1, 2007 until September 30, 2007)		Condensed statements of income for previous fiscal year (From April 1, 2006 until March 30, 2007)				
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)			
I Net sales		26,849	100.0		27,498	100.0		58,905	100.0
II Cost of sales		18,798	70.0		19,696	71.6		41,222	70.0
Gross profit		8,051	30.0		7,802	28.4		17,683	30.0
III Selling and administrative expenses		8,045	30.0		8,045	29.3		16,479	28.0
Operating income or loss		5	0.0		(242)	(0.9)		1,203	2.0
IV Non-operating income									
1 Interest income	15			25			39		
2 Other expenses	351	367	1.4	304	330	1.2	490	530	0.9
V Non-operating expenses									
1 Interest expense	82			105			174		
2 Other expenses	139	221	0.8	192	297	1.1	345	519	0.8
Ordinary income or ordinary loss		151	0.6		(210)	(0.8)		1,214	2.1
VI Extraordinary income		149	0.5		38	0.1		304	0.5
VII Extraordinary loss		127	0.5		15	0.0		209	0.4
Interim net income before income taxes or interim net loss before income taxes		173	0.6		(187)	(0.7)		1,309	2.2
Corporation tax, local inhabitants taxes, and enterprise taxes	20			20			40		
Prior period adjustment	(70)			-			(70)		
Deferred corporation tax	65	15	0.0	(101)	(81)	(0.3)	538	508	0.8
Interim net income or interim net loss		158	0.6		(105)	(0.4)		801	1.4

(3) Interim statements of changes in shareholders' equity, etc.

Previous interim accounting term (from April 1, 2006 to September 30, 2006)

	Shareholders' equity						
	Common stock	Capital surplus		Retained earnings		Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Other retained earnings			
				General reserve	Retained earnings carried forward		
Balance as of March 31, 2006 (million yen)	6,855	1,789	4,678	5,800	2,024	(756)	20,392
Change in amount during interim accounting term							
Dividend payment from retained earnings (Note)					(447)		(447)
Bonuses to directors and corporate auditors (Note)					(18)		(18)
General reserve aggregate (Note)				500	(500)		-
Interim net income					158		158
Purchases of treasury stock						(2)	(2)
Disposal of treasury stock			0			0	0
Changes in items other than treasury stock during interim accounting term (net amount)							
Total amount of changes during interim accounting term (million yen)	-	-	0	500	(806)	(2)	(308)
Balance as of September 30, 2006 (million yen)	6,855	1,789	4,679	6,300	1,218	(758)	20,084

	Unrealized gain (loss) and translation gain (loss), etc.		Total net assets
	Unrealized gain (loss) on securities	Total of unrealized gain (loss) and translation gain (loss)	
Balance as of March 31, 2006 (million yen)	3,380	3,380	23,773
Change in amount during interim accounting term			
Dividend payment from retained earnings (Note)			(447)
Bonuses to directors and corporate auditors (Note)			(18)
General reserve aggregate (Note)			-
Interim net income			158
Purchases of treasury stock			(2)
Disposal of treasury stock			0
Changes in items other than treasury stock during interim accounting term (net amount)	(814)	(814)	(814)
Total amount of changes during interim accounting term (million yen)	(814)	(814)	(1,123)
Balance as of September 30, 2006 (million yen)	2,566	2,566	22,650

Note: Items for appropriation of income approved at the regular general meeting of shareholders held in June 2006

Current interim accounting term (from April 1, 2007 to September 30, 2007)

	Shareholders' equity						
	Common stock	Capital surplus		Retained earnings		Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Other retained earnings			
				General reserve	Retained earnings carried forward		
Balance as of March 31, 2007 (million yen)	6,855	1,789	4,679	6,300	1,860	(911)	20,573
Change in amount during interim accounting term							
Dividend payment from retained earnings					(443)		(443)
General reserve aggregate				500	(500)		-
Interim net income					(105)		(105)
Purchases of treasury stock						(2)	(2)
Disposal of treasury stock			19			216	235
Changes in items other than treasury stock during interim accounting term (net amount)							
Total amount of changes during interim accounting term (million yen)	-	-	19	500	(1,049)	213	(316)
Balance as of September 30, 2007 (million yen)	6,855	1,789	4,698	6,800	811	(698)	20,257

	Unrealized gain (loss) and equity adjustment from currency translation, etc.		Total net assets
	Unrealized gain (loss) on securities	Total of unrealized gain (loss) and equity adjustment from currency translation	
Balance as of March 31, 2007 (million yen)	2,400	2,400	22,974
Change in amount during interim accounting term			
Dividend payment from retained earnings			(443)
General reserve aggregate			-
Interim net income			(105)
Purchases of treasury stock			(2)
Disposal of treasury stock			235
Changes in items other than treasury stock during interim accounting term (net amount)	(567)	(567)	(567)
Total amount of changes during interim accounting term (million yen)	(567)	(567)	(883)
Balance as of September 30, 2007 (million yen)	1,833	1,833	22,091

Previous fiscal year (from April 1, 2006 to March 31, 2007)

	Shareholders' equity						
	Common stock	Capital surplus		Retained earnings		Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Other retained earnings			
				General reserve	Retained earnings carried forward		
Balance as of March 31, 2006 (million yen)	6,855	1,789	4,678	5,800	2,024	(756)	20,392
Change in amount during consolidated fiscal year							
Dividend payment from retained earnings (Note)					(447)		(447)
Bonuses to directors and corporate auditors (Note)					(18)		(18)
General reserve aggregate (Note)				500	(500)		-
Net income					801		801
Purchases of treasury stock						(155)	(155)
Disposal of treasury stock			0			0	0
Changes in items other than treasury stock during consolidated fiscal year (Net amount)							
Total amount of changes during consolidated fiscal year (million yen)	-	-	0	500	(164)	(155)	180
Balance as of March 31, 2007 (million yen)	6,855	1,789	4,679	6,300	1,860	(911)	20,573

	Unrealized gain (loss) and equity adjustment from currency translation, etc.		Total net assets
	Unrealized gain (loss) on securities	Total of unrealized gain (loss) and equity adjustment from currency translation	
Balance as of March 31, 2006 (million yen)	3,380	3,380	23,773
Change in amount during consolidated fiscal year			
Dividend payment from retained earnings (Note)			(447)
Bonuses to directors and corporate auditors (Note)			(18)
General reserve aggregate (Note)			-
Net income			801
Purchases of treasury stock			(155)
Disposal of treasury stock			0
Changes in items other than treasury stock during consolidated fiscal year (Net amount)	(980)	(980)	(980)
Total amount of changes during consolidated fiscal year (million yen)	(980)	(980)	(799)
Balance as of March 31, 2007 (million yen)	2,400	2,400	22,974

Note: Items for appropriation of income approved at the regular general meeting of shareholders held in June 2006