

## Consolidated Financial Results for the Six Months Ended July 31, 2007

September 13, 2007

Company name: **Dr. Ci:Labo Co., Ltd.**  
 Shares listed on: The First Section of Tokyo Stock Exchange  
 Security code: 4924  
 URL: <http://www.ci-labo.com/>  
 Representative: Tomomi Ishihara, President and COO  
 Contact: Tadaaki Sato, Managing Director  
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 Scheduled date of annual shareholders' meeting: October 24, 2007  
 Scheduled commencement date of dividend payment: October 25, 2007  
 Scheduled submission date of financial statements: October 25, 2007

### 1. Consolidated Financial Results for the Six Months Ended July 31, 2007 (February 1, 2007 to July 31, 2007)

#### (1) Operating Results

(Amounts rounded down to the nearest million yen)  
 (Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended July 31, 2007	9,077	-	1,161	-	1,147	-	563	-
Year ended January 31, 2007	18,837	10.9	2,853	17.2	2,863	16.0	1,459	14.2

	Net income per share	Diluted net income per share	Return on equity	Ordinary income/ Total assets	Operating income/ Net sales
	yen	yen	%	%	%
Six months ended July 31, 2007	2,051.06	2,032.19	6.6	9.5	12.8
Year ended January 31, 2007	5,339.21	5,268.28	18.3	24.7	15.2

Notes: 1. Investment gains or losses on the equity method:

Six months ended July 31, 2007: - million yen

Year ended January 31, 2007: - million yen

2. Year-on-year comparisons are omitted as the reporting period ended July 31, 2007 reflects only six months of business activity.

#### (2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Six months ended July 31, 2007	11,860	8,636	72.8	31,428.32
Year ended January 31, 2007	12,365	8,538	69.0	31,098.07

Note: Shareholders' equity

Six months ended July 31, 2007: 8,636 million yen

Year ended January 31, 2007:

8,538 million yen

(3) Cash flow Position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Six months ended July 31, 2007	748	(392)	(780)	3,952
Year ended January 31, 2007	2,836	(768)	(461)	4,358

2. Dividends

	Dividend per share			Total dividends paid (Full year)	Payout ratio (Consolidated)	Dividends/ Net assets (Consolidated)
	Interim	Year-end	Full year			
	yen	yen	yen	million yen	%	%
Year ended January 31, 2007	-	1,600.00	1,600.00	439	30.0	5.5
Six months ended July 31, 2007	-	600.00	600.00	164	29.3	1.9
Year ended July 31, 2008 (Forecast)	-	2,100.00	2,100.00		30.4	

3. Forecast of Earnings for the Year Ending July 31, 2008 (August 1, 2007 to July 31, 2008)

(Percentage figures represent year-on-year changes and interim-on-interim period changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Interim	11,000	-	1,900	-	1,900	-	1,100	-	4,003.06
Full year	21,700	-	3,400	-	3,400	-	1,900	-	6,914.37

4. Other Information

- (1) Significant changes in subsidiaries during the period (Scope of consolidation): None
- (2) Changes in accounting principles, procedure, and method of disclosure used to prepare the financial results
  - 1) Changes in accordance with amendments of accounting standards: Yes
  - 2) Changes other than above: Yes
- (3) Number of shares issued and outstanding (Common stock)
 

Number of shares issued and outstanding at end of the period (treasury stock included):

Six months ended July 31, 2007:	277,988 shares
Year ended January 31, 2007	277,768 shares

Number of shares held in treasury at end of the period:

Six months ended July 31, 2007:	3,198 shares
Year ended January 31, 2007:	3,198 shares

**Reference: Overview of Financial Results on Non-Consolidated basis**

**1. Non-consolidated Financial Results for the Six Months Ended July 31, 2007**

**(February 1, 2007 to July 31, 2007)**

(1) Operating Results

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended July 31, 2007	8,746	-	1,218	-	1,207	-	526	-
Year ended January 31, 2007	18,080	8.9	3,063	14.2	3,071	12.4	1,447	(6.2)

	Net income per share	Diluted net income per share
	yen	yen
Six months ended July 31, 2007	1,917.07	1,899.43
Year ended January 31, 2007	5,292.98	5,222.66

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Six months ended July 31, 2007	12,078	8,967	74.2	32,632.22
Year ended January 31, 2007	12,644	8,922	70.6	32,496.33

Note: Shareholders' equity

Six months ended July 31, 2007: 8,967 million yen  
Year ended January 31, 2007: 8,922 million yen

**2. Forecast of Non-consolidated Earnings for the Year Ending July 31, 2008**

**(August 1, 2007 to July 31, 2008)**

(Percentage figures represent year-on-year changes and interim-on-interim period changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Interim	10,700	-	1,980	-	1,980	-	1,140	-	4,148.62
Full year	21,100	-	3,500	-	3,500	-	1,940	-	7,059.94

The above forecasts are based on the information currently available. Actual results may differ from the above forecasts depending on various conditions.

## Consolidated Balance Sheets

(In thousand yen)

	As of July 31, 2007		As of January 31, 2007	
	Amount	%	Amount	%
<b>Assets</b>				
<b>Current assets</b>				
Cash and time deposits	4,090,048		4,358,647	
Accounts receivable-trade	2,224,553		2,417,419	
Inventories	1,560,104		1,547,840	
Short-term loans to affiliates	60,000		60,000	
Prepaid expenses	70,495		75,962	
Deferred tax assets	234,372		284,794	
Other	31,323		18,017	
Allowance for doubtful accounts	(30,288)		(26,799)	
Total current assets	8,240,608	69.5	8,735,882	70.6
<b>Noncurrent assets</b>				
<b>Tangible fixed assets</b>				
Buildings	179,769		498,185	
Accumulated depreciation	82,089	97,679	107,499	390,686
Structures	-		5,712	
Accumulated depreciation	-	-	2,339	3,373
Vehicles	5,328		5,328	
Accumulated depreciation	4,893	434	4,810	517
Tools, furniture and fixture	711,592		704,875	
Accumulated depreciation	405,308	306,283	359,833	345,042
Land		-		1,315,697
Construction in progress		-		1,689
Total tangible fixed assets		404,397		2,057,006
		3.4		16.6
<b>Intangible fixed assets</b>				
Software		590,717		663,663
Suspense account for software		334,654		162,712
Trade marks		22,895		22,259
Other		311		332
Total intangible fixed assets		948,578	8.0	848,967
6.9				
<b>Investments and other assets</b>				
Investment securities		254,557		354,959
Equity investments in affiliates		5,000		5,000
Long-term prepaid expenses		75,532		85,112
Leasehold deposits		245,353		242,178
Deferred tax assets		80,451		33,518
Investment real estate	1,653,289			-
Accumulated depreciation	(51,569)	1,601,720		-
Other		4,365		3,274
Total investments and other assets		2,266,980	19.1	724,042
				5.9
Total noncurrent assets		3,619,956	30.5	3,630,016
				29.4
<b>Total assets</b>		11,860,565	100.0	12,365,898
				100.0

(In thousand yen)

	As of July 31, 2007		As of January 31, 2007	
	Amount	%	Amount	%
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable-trade	430,839		307,841	
Current portion of long-term borrowings	974,000		724,000	
Accounts payable-other	841,499		821,114	
Income tax payable	500,279		826,801	
Consumption tax payable	22,600		109,192	
Advanced received	18,600		34,477	
Deposits received	33,165		22,672	
Reserve for bonuses	30,114		23,817	
Allowance for bonus points redemption	144,558		131,293	
Deferred tax liabilities	50		48	
Other	40,896		31,096	
Total current liabilities	3,036,604	25.6	3,032,356	24.5
<b>Long-term liabilities</b>				
Long-term borrowings	164,000		776,000	
Deferred tax liabilities	5,461		-	
Reserve for retirement benefits	13,963		9,882	
Other	4,345		9,062	
Total long-term liabilities	187,770	1.6	794,944	6.5
Total liabilities	3,224,375	27.2	3,827,301	31.0
<b>Net assets</b>				
<b>Shareholders' capital</b>				
Common stock	1,145,840	9.7	1,138,361	9.2
Additional paid-in capital	1,623,440	13.7	1,615,961	13.1
Retained earnings	6,569,023	55.4	6,444,979	52.1
Treasury stock	(648,554)	(5.5)	(648,554)	(5.3)
Total shareholders' capital	8,689,750	73.3	8,550,748	69.1
<b>Valuation and translation adjustments</b>				
Net unrealized gains/(losses) on other securities	(82,404)	(0.7)	(23,433)	(0.2)
Foreign currency translation adjustments	28,844	0.2	11,282	0.1
Total valuation and translation adjustments	(53,560)	(0.5)	(12,151)	(0.1)
Total net assets	8,636,190	72.8	8,538,597	69.0
Total liabilities and net assets	11,860,565	100.0	12,365,898	100.0

## Consolidated Statements of Operations

(In thousand yen)

	Six months ended July 31, 2007		Year ended January 31, 2007			
	Amount	%	Amount	%		
Net sales		9,077,864	100.0		18,837,248	100.0
Cost of sales		1,743,926	19.2		3,613,113	19.2
Gross profit		7,333,938	80.8		15,224,135	80.8
Selling, general and administrative expenses		6,172,164	68.0		12,370,961	65.7
Operating income		1,161,773	12.8		2,853,173	15.1
Non-operating revenues						
Interest income	5,486				2,316	
Dividend income	472				914	
Foreign exchange gains	-				18,883	
Incentives for shop renovation received from department stores	3,219				5,394	
Compensation for merchandise breakage	220				605	
Other	1,955	11,355	0.1	11,575	39,690	0.2
Non-operating expenses						
Interest expenses	8,314				16,462	
Foreign exchange losses	2,992				-	
Commissions	2,000				7,120	
Loss on investment partnership	1,302				3,422	
Amortization and depreciation	7,538				-	
Other	3,434	25,582	0.3	2,687	29,692	0.1
Ordinary income		1,147,546	12.6		2,863,171	15.2
Extraordinary losses						
Loss on disposal of noncurrent assets	33,850				28,921	
Valuation loss on inventory	18,036				-	
Other	355	52,241	0.6	-	28,921	0.2
Net income before taxes		1,095,304	12.0		2,834,249	15.0
Income taxes, inhabitant tax and enterprise taxes	482,870				1,423,819	
Income tax adjustments	49,078	531,948	5.8	(49,373)	1,374,445	7.3
Net income		563,356	6.2		1,459,804	7.7

## Consolidated Statements of Changes in Shareholders' Capital

(February 1, 2007 – July 31, 2007)

(In thousand yen)

	Shareholders' capital				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' capital
Balance as of January 31, 2007	1,138,361	1,615,961	6,444,979	(648,554)	8,550,748
Changes during period					
Issuance of new shares	7,479	7,479			14,958
Cash dividends*			(439,312)		(439,312)
Net income			563,356		563,356
Net change in items other than shareholders' capital during period					
Total changes during period	7,479	7,479	124,044	-	139,002
Balance as of July 31, 2007	1,145,840	1,623,440	6,569,023	(648,554)	8,689,750

	Valuation and translation adjustments			Total net assets
	Net unrealized gains/(losses) on other securities	Foreign currency adjustments	Total valuation and translation adjustments	
Balance as of January 31, 2007	(23,433)	11,282	(12,151)	8,538,597
Changes during period				
Issuance of new shares				14,958
Cash dividends*				(439,312)
Net income				563,356
Net change in items other than shareholders' capital during period	(58,970)	17,561	(41,409)	(41,409)
Total changes during period	(58,970)	17,561	(41,409)	97,593
Balance as of July 31, 2007	(82,404)	28,844	(53,560)	8,636,190

\*Appropriation approved by the annual shareholders' meeting held on April 24, 2007.

(February 1, 2006 – January 31, 2007)

(In thousand yen)

	Shareholders' capital				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' capital
Balance as of January 31, 2006	1,122,328	1,599,928	5,367,456	(648,554)	7,441,158
Changes during period					
Issuance of new shares	16,033	16,033			32,067
Cash dividends*			(382,281)		(382,281)
Net income			1,459,804		1,459,804
Net change in items other than shareholders' capital during period					
Total changes during period	16,033	16,033	1,077,522	-	1,109,589
Balance as of January 31, 2007	1,138,361	1,615,961	6,444,979	(648,554)	8,550,748

	Valuation and translation adjustments			Total net assets
	Net unrealized gains/(losses) on other securities	Foreign currency adjustments	Total valuation and translation adjustments	
Balance as of January 31, 2006	(20,160)	10,041	(10,119)	7,431,038
Changes during period				
Issuance of new shares				32,067
Cash dividends*				(382,281)
Net income				1,459,804
Net change in items other than shareholders' capital during period	(3,272)	1,241	(2,031)	(2,031)
Total changes during period	(3,272)	1,241	(2,031)	1,107,558
Balance as of January 31, 2007	(23,433)	11,282	(12,151)	8,538,597

\*Appropriation approved by the annual shareholders' meeting held on April 26, 2006.

## Consolidated Statements of Cash Flows

(In thousand yen)

	Six months ended	Year ended
	July 31, 2007	January 31, 2007
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	1,095,304	2,834,249
Depreciation and amortization	197,593	432,389
Amortization of long-term prepaid expenses	15,174	23,766
Increase in allowance for doubtful accounts	3,452	5,219
Increase in reserve for employees' bonuses	6,296	6,978
Increase in allowance for bonus points redemption	13,265	32,133
Increase in reserve for retirement benefits	4,042	8,778
Interest and dividend income	(5,959)	(3,231)
Interest expense	8,314	16,462
Loss on disposal of fixed assets	33,850	28,921
Increase in trade receivables	195,984	315,547
(Increase)/decrease in inventories	(8,505)	49,585
Increase/(decrease) in trade payables	116,523	(102,048)
Increase/(decrease) in accounts payable-other	(31,788)	143,860
Increase/(decrease) in consumption tax payable	(86,874)	106,562
Increase in consumption tax receivable	281	15,219
Other	2,019	14,231
Sub total	1,558,976	3,928,625
Interest and dividends received	3,965	3,231
Interest paid	(7,825)	(17,951)
Income taxes paid	(806,170)	(1,077,603)
Net cash provided by operating activities	748,945	2,836,302
Cash flows from investing activities		
Acquisition of tangible fixed assets	(43,257)	(227,730)
Acquisition of intangible fixed assets	(207,603)	(299,600)
Purchase of investment securities	-	(100,000)
Purchase of affiliate shares	-	(5,000)
Payment of lease/guarantee deposits	(12,151)	(31,798)
Proceeds from collection of lease/guarantee deposits	8,976	12,819
Loans to affiliates	-	(60,000)
Deposits into time deposit accounts	(138,033)	-
Expenditure for other investments	-	(56,923)
Net cash used in investing activities	(392,068)	(768,233)
Cash flows from financing activities		
Net increase/(decrease) in short-term borrowings	-	(1,115,904)
Proceeds from long-term borrowings	-	1,000,000
Repayment of long-term borrowings	(362,000)	-
Proceeds from share issuance	14,958	32,067
Dividend payment	(433,925)	(378,052)
Net cash used in financing activities	(780,967)	(461,890)
Effect of exchange rate changes on cash and cash equivalents	17,459	19,086
Increase/(decrease) in cash and cash equivalents	(406,632)	1,625,265
Cash and cash equivalents at the beginning of the period	4,358,647	2,733,382
Cash and cash equivalents at the end of the period	3,952,015	4,358,647

## Non-consolidated Balance Sheets

(In thousand yen)

	As of July 31, 2007		As of January 31, 2007	
	Amount	%	Amount	%
<b>Assets</b>				
<b>Current assets</b>				
Cash and time deposits	3,477,034		3,681,631	
Accounts receivable-trade	2,236,457		2,387,010	
Finished goods	755,636		808,550	
Merchandise	75,815		69,635	
Supplies	663,998		617,048	
Prepaid expenses	63,215		64,271	
Deferred tax assets	276,412		255,906	
Short-term loans to affiliates	128,540		73,433	
Other	33,471		31,430	
Allowance for doubtful accounts	(47,968)		(26,079)	
Total current assets	7,662,614	63.4	7,962,838	63.0
<b>Noncurrent assets</b>				
<b>Tangible fixed assets</b>				
Buildings	145,051		463,472	
Accumulated depreciation	60,533	84,518	89,575	373,897
Structures	-		5,712	
Accumulated depreciation	-	-	2,339	3,373
Vehicles	5,328		5,328	
Accumulated depreciation	4,893	434	4,810	517
Tools, furniture and fixture	678,363		650,637	
Accumulated depreciation	390,601	287,762	346,402	304,235
Land		-		1,315,697
Construction in progress		-		1,689
Total tangible fixed assets		372,715		1,999,410
Total noncurrent assets		3.1		15.8
<b>Intangible fixed assets</b>				
Software		585,599		644,246
Suspense account for software		334,654		162,712
Trade marks		22,895		22,259
Other		311		332
Total intangible fixed assets		943,461	7.8	829,550
Total noncurrent assets				6.6
<b>Investments and other assets</b>				
Investment securities		103,000		138,500
Equity investments in affiliates		1,168,256		1,319,107
Investment securities of affiliates		208,812		275,078
Long-term loans to affiliates		8,285		75,353
Long-term prepaid expenses		62,893		68,964
Leasehold deposits		210,617		203,026
Investment real estate	1,653,289			-
Accumulated depreciation	(51,569)	1,601,720		-
Deferred tax assets		79,586		39,485
Other		4,365		3,274
Allowance for investment losses		(347,557)		(269,978)
Total investments and other assets		3,099,981	25.7	1,852,810
Total noncurrent assets		4,416,157	36.6	4,681,770
<b>Total assets</b>		12,078,772	100.0	12,644,610
				100.0

(In thousand yen)

	As of July 31, 2007		As of January 31, 2007	
	Amount	%	Amount	%
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable-trade	392,673		277,158	
Current portion of long-term borrowings	974,000		724,000	
Accounts payable-other	814,736		795,676	
Accrued expenses	11,349		15,817	
Income tax payable	488,164		799,695	
Consumption tax payable	19,582		107,009	
Advanced received	18,581		34,477	
Deposits received	32,048		21,837	
Reserve for bonuses	30,114		23,817	
Allowance for bonus points redemption	140,808		128,198	
Other	12,859		7,050	
Total current liabilities	2,934,918	24.3	2,934,739	23.2
<b>Long-term liabilities</b>				
Long-term borrowings	164,000		776,000	
Reserve for retirement benefits	12,846		9,043	
Other	-		2,310	
Total long-term liabilities	176,846	1.5	787,353	6.2
Total liabilities	3,111,764	25.8	3,722,093	29.4
<b>Net assets</b>				
<b>Shareholders' capital</b>				
Common stock	1,145,840	9.5	1,138,361	9.0
Additional paid-in capital				
Capital reserve	1,623,440		1,615,961	
Total additional paid-in capital	1,623,440	13.4	1,615,961	12.8
Retained earnings				
Legal reserve	535		535	
Voluntary reserves				
General reserve	4,700,000		3,800,000	
Retained earnings carried forward	2,226,888		3,039,646	
Total retained earnings	6,927,423	57.4	6,840,181	54.1
Treasury stock	(648,554)	(5.4)	(648,554)	(5.1)
Total shareholders' capital	9,048,150	74.9	8,945,950	70.8
<b>Valuation and translation adjustments</b>				
Net unrealized gains/(losses) on other securities	(81,142)	(0.7)	(23,433)	(0.2)
Total valuation and translation adjustments	(81,142)	(0.7)	(23,433)	(0.2)
Total net assets	8,967,007	74.2	8,922,516	70.6
Total liabilities and net assets	12,078,772	100.0	12,644,610	100.0

## Non-consolidated Statements of Operations

(In thousand yen)

	Six months ended July 31, 2007			Year ended January 31, 2007		
	Amount		%	Amount		%
Net sales						
Sales of finished goods	8,578,539			17,522,391		
Sales of merchandise	168,149	8,746,689	100.0	558,206	18,080,598	100.0
Cost of sales						
Beginning inventory – finished goods	808,550			920,094		
Cost of finished goods during period	1,890,434			3,450,948		
Transfer from other accounts	262,028			268,802		
Ending inventory – finished goods	755,636			808,550		
Sub-total	1,681,320			3,293,690		
Beginning inventory – merchandise	69,635			67,751		
Merchandise purchased during period	118,674			313,975		
Transfer from other accounts	21,598			26,749		
Ending inventory – merchandise	75,815			69,635		
Sub-total	90,894	1,772,214	20.3	285,342	3,579,032	19.8
Gross profit		6,974,474	79.7		14,501,566	80.2
Selling, general and administrative expenses						
Directors' remuneration	43,240			91,900		
Employees' salaries	700,939			1,298,068		
Employees' bonuses	47,213			95,530		
Legal welfare expenses	105,105			207,752		
Provision for bonuses	30,114			23,817		
Retirement benefits expense	5,802			8,342		
Expenses for temporary staff dispatched	266,531			518,890		
Advertising expense	1,569,878			3,348,737		
Sales promotion expense	783,273			1,435,723		
Supplies expense	59,323			140,728		
Rent expense	168,048			298,663		
Lease payments	73,717			147,321		
Depreciation	173,698			401,961		
Provision for doubtful accounts	21,924			4,646		
Provision for bonus points redemption	64,153			118,106		
Telecommunication expense	319,394			685,809		
Transportation expense	347,347			802,867		
Fees	40,228			60,021		
Commissions	545,637			914,439		
Research and development expenses	48,064			93,363		
Other	342,554	5,756,189	65.8	741,055	11,437,748	63.3
Operating income		1,218,285	13.9		3,063,818	16.9

(In thousand yen)

	Six months ended July 31, 2007			Year ended January 31, 2007		
	Amount		%	Amount		%
Non-operating revenues						
Interest income	3,775			3,540		
Dividend income	472			894		
Foreign exchange gains	-			10,037		
Incentives for shop renovation received from department stores	3,219			5,394		
Rent income	-			1,078		
Compensation for merchandise breakage	220			605		
Consignment revenue	2,285			4,571		
Miscellaneous revenue	740	10,714	0.1	6,276	32,398	0.2
Non-operating expenses						
Interest expenses	7,487			13,976		
Share issuance expense	167			-		
Commissions	2,000			7,120		
Amortization and depreciation	7,538			-		
Foreign exchange losses	2,914			-		
Loss on investment partnership	1,258			3,422		
Other	34	21,400	0.2	631	25,151	0.1
Ordinary income		1,207,599	13.8		3,071,064	17.0
Extraordinary losses						
Loss on disposal of noncurrent assets	2,014			7,193		
Provision for investment losses	110,693			269,978		
Valuation loss on shares of affiliates	117,735	230,444	2.6	-	277,171	1.5
Net income before taxes		977,155	11.2		2,793,892	15.5
Income taxes, inhabitant tax and enterprise taxes	471,937			1,394,435		
Income tax adjustments	(21,336)	450,601	5.2	(47,705)	1,346,730	7.5
Net income		526,553	6.0		1,447,162	8.0

## Non-consolidated Statements of Changes in Shareholders' Capital

(February 1, 2007 – July 31, 2007)

(In thousand yen)

	Shareholders' capital						
	Common stock	Additional paid-in capital		Legal reserve	Retained earnings		Total retained earnings
		Capital reserve	Total additional paid-in capital		General reserve	Retained earnings carried forward	
Balance as of January 31, 2007	1,138,361	1,615,961	1,615,961	535	3,800,000	3,039,646	6,840,181
Changes during period							
Reversal of reserve for special depreciation							
Provision for general reserve					900,000	(900,000)	
Issuance of new shares	7,479	7,479	7,479				
Cash dividends *						(439,312)	(439,312)
Net income						526,553	526,553
Net change in items other than shareholders' capital during period							
Total changes during period	7,479	7,479	7,479		900,000	(812,758)	87,241
Balance as of July 31, 2007	1,145,840	1,623,440	1,623,440	535	4,700,000	2,226,888	6,927,423

	Shareholders' capital		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' capital	Net unrealized gains/(losses) on other securities	Total valuation and translation adjustments	
Balance as of January 31, 2007	(648,554)	8,945,950	(23,433)	(23,433)	8,922,516
Changes during period					
Reversal of reserve for special depreciation					
Provision for general reserve					
Issuance of new shares		14,958			14,958
Cash dividends *		(439,312)			(439,312)
Net income		526,553			526,553
Net change in items other than shareholders' capital during period			(57,708)	(57,708)	(57,708)
Total changes during period		102,199	(57,708)	(57,708)	44,490
Balance as of July 31, 2007	(648,554)	9,048,150	(81,142)	(81,142)	8,967,007

\*Appropriation approved by the annual shareholders' meeting held on April 24, 2007.

(February 1, 2006 – January 31, 2007)

(In thousand yen)

	Shareholders' capital							
	Common stock	Additional paid-in capital		Legal reserve	Retained earnings			Total retained earnings
		Capital reserve	Total additional paid-in capital		Reserve for special depreciation	Other		
						General reserve	Retained earnings carried forward	
Balance as of January 31, 2006	1,122,328	1,599,928	1,599,928	535	94	3,000,000	2,774,671	5,775,300
Changes during period								
Reversal of reserve for special depreciation					(94)		94	
Provision for general reserve						800,000	(800,000)	
Issuance of new shares	16,033	16,033	16,033					
Cash dividends *							(382,281)	(382,281)
Net income							1,447,162	1,447,162
Net change in items other than shareholders' capital during period								
Total changes during period	16,033	16,033	16,033		(94)	800,000	264,975	1,064,881
Balance as of January 31, 2007	1,138,361	1,615,961	1,615,961	535	-	3,800,000	3,039,646	6,840,181

	Shareholders' capital		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' capital	Net unrealized gains/(losses) on other securities	Total valuation and translation adjustments	
Balance as of January 31, 2006	(648,554)	7,849,002	(20,160)	(20,160)	7,828,841
Changes during period					
Reversal of reserve for special depreciation					
Provision for general reserve					
Issuance of new shares		32,067			32,067
Cash dividends *		(382,281)			(382,281)
Net income		1,447,162			1,447,162
Net change in items other than shareholders' capital during period			(3,272)	(3,272)	(3,272)
Total changes during period		1,096,948	(3,272)	(3,272)	1,093,675
Balance as of January 31, 2007	(648,554)	8,945,950	(23,433)	(23,433)	8,922,516

\*Appropriation approved by the annual shareholders' meeting held on April 26, 2006.