

# Summary of Business Results for FY March 2008

Date: May 2, 2008

Company **KEL Corporation** Registered on the JASDAQ  
 Stock Code 6919  
 U R L http://www.kel.jp/  
 Representative Kazuyoshi Takahashi  
 Contact Title of Executive Director and Administration Manager  
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 Date of annual shareholders' meeting June 27, 2008 Starting date of dividend payment: June 10, 2008  
 Reporting date of annual security report June 27, 2008

## 1. Business Results as of FY March 2008 (April 1, 2007 - March 31, 2008)

### (1) Results of Operations

( Note: Rounded down to ¥ Million )

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
March 2008	8,577	(-7.1)	473	(-55.6)	463	(-56.8)
March 2007	9,229	(20.3)	1,066	(90.7)	1,071	(87.3)

	Net income		Net income per share	Diluted net Income per share	Ratio of net income to shareholders' equity	Ratio of recurring income to total asset	Ratio of recurring income to net sales
	¥ Million	%	¥	¥	%	%	%
March 2008	223	(-59.1)	14.97	14.95	2.6	3.9	5.5
March 2007	546	(69.1)	73.70	73.24	6.5	9.1	11.6

(Note) 1. Earnings/loss on investments in equity-method affiliates

Fiscal year ended March 2008: ¥ million

Fiscal year ended March 2007: ¥ million.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	¥
March 2008	11,455	8,333	72.7	563.59
March 2007	12,372	8,540	69.0	1,143.50

(Note) Shareholders' equity:

Fiscal year ended March 2008: ¥ 8,333 million

Fiscal year ended March 2007: ¥ 8,540 million

### (3) Results of Cash Flows

	Net cash flows by operating activities	Net cash flows by investment activities	Net cash flows by financial activities	Balance of cash and cash equivalents at the end of year
	¥ Million	¥ Million	¥ Million	¥ Million
March 2008	1,232	-986	-365	952
March 2007	622	-791	356	1,080

## 2. Dividend

(Record date)	Dividend per share			Total dividend (Annual)	Dividend payout ratio (Consolidated)	Total dividend rate (Consolidated)
	End of interim	Year-end	Annual			
	¥	¥	¥	¥ Million	%	%
March 2007	7.00	21.00	28.00	208	38.0	2.5
March 2008	4.00	4.00	8.00	119	53.4	1.4
March 2009 (forecast)	4.00	4.00	8.00		70.6	

### 3 . Forecast of Consolidated Financial Performance in FY March 2009 (April 1, 2008 - March 31, 2009)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥
Interim	4,000	(-8.5)	147	(-51.7)	148	(-52.6)	75	(-55.1)	5.09
FY ending Mar. 2009	8,200	(-4.4)	327	(-30.9)	326	(-29.5)	167	(-25.0)	11.33

#### 4. Others

(1) Changes in important subsidiary during the period (changes in specified subsidiary due to changes in the scope of consolidation): None

(2) Changes in rules, procedures and indication methods of accounting process concerning the preparation of consolidated financial results

Changes due to revision of accounting standards: Yes

Changes other than : None

(3) Shares outstanding (common shares)

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

Fiscal year ended March 2008: 16,086,000 shares

Fiscal year ended March 2007: 8,043,000 shares

Treasury stock at end of period:

Fiscal year ended March 2008: 1,299,506 shares

Fiscal year ended March 2007: 574,500 shares

#### (Reference) Summary of Non-consolidated Financial Results

##### 1 . Business Results as of FY March 2008 (April 1, 2007 - March 31, 2008)

(1) Results of Operations

( Note: Rounded down to ¥ Million )

	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
March 2008	8,547	(-7.0)	478	(-55.5)	467	(-56.8)	227	(-59.1)
March 2007	9,188	(21.0)	1,075	(95.6)	1,082	(92.3)	556	(77.5)

	Net income per share	Diluted net Income per share
	¥	¥
March 2008	15.26	15.25
March 2007	75.02	74.55

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	¥
March 2008	11,482	8,365	72.8	565.74
March 2007	12,386	8,561	69.1	1,146.33

(Note) Shareholders' equity:

Fiscal year ended March 2008: ¥ 8,365 million

Fiscal year ended March 2007: ¥ 8,561 million

## 2 . Forecast of Financial Performance in FY March 2009 (April 1, 2008 - March 31, 2009)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥
Interim	3,982	(-8.5)	149	(-52.1)	149	(-52.9)	77	(-55.6)	5.21
FY ending Mar. 2009	8,156	(-4.6)	322	(-32.7)	321	(-31.2)	162	(-28.8)	10.97

Explanation regarding appropriate use of business forecasts and other special instructions

- 1 . Forecasts regarding future performance in these materials are based on information and assumptions at the time this report was prepared. Therefore, actual results may differ significantly from the forecasts.
  
- 2 . The Company conducted a 2-for-1 stock split effective April 1, 2007 for the shareholders of March 31, 2007. Net income per share in “3. Forecast of Consolidated Financial Performance in FY March 2008” have been adjusted for the stock split.