

Summary Consolidated Financial Statement for the Term Ending in December 2007

February 21, 2008

Name of listed company: Okabe Co., Ltd. Listed in Tokyo Stock Exchange
 Address of head office: Tokyo
 Code number: 5959
 URL: <http://www.okabe.co.jp/>
 Stock exchange: (Listed in) Tokyo Stock Exchange (first section)

Representative: Noriaki Matsumoto, President
 Responsible person for inquiries: Eiichi Tomita, Managing Director in charge of Management Division
 Tel: (03) 3624-5119
 Date of Board Meeting for settlement of accounts: March 27, 2008
 Date of delivery of dividends: March 28, 2008
 Date of submission of the securities report: March 27, 2008

1. Consolidated business results for the term ending in December 2007 (January 1, 2007 - December 31, 2007)

(1) Consolidated Business Results

Note: Amount less than one million yen discarded

The percentage shows an increase/decrease ratio as compared with the previous term

	Sales amount		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
Term ending in Dec. 2007	59,831	1.2	4,428	8.0	4,443	9.0
Term ending in Dec. 2006	59,114	8.3	4,099	52.9	4,075	37.3

	Current term net profit		Current net earnings per stock	Current term net profit per stock after adjustment of latent stocks	Current term return on equity	Current term return on assets	Operating income ratio
	Million Yen	%	Yen Sen	Yen Sen	%	%	%
Term ending in Dec. 2007	3,902	200.6	71.12	70.86	12.3	6.2	7.4
Term ending in Dec. 2006	1,298	-8.8	23.89	23.81	4.5	6.0	6.9

(Note) Investment profit or loss for equity method

Term ending in December 2007: -
 Term ending in December 2006: -

(2) Consolidated Financial Status

	Total assets	Net assets	Capital adequacy ratio	Net asset per share
	Million Yen	Million Yen	%	Yen Sen
Term ending in Dec. 2007	74,360	34,127	45.3	611.61
Term ending in Dec. 2006	69,871	30,459	42.9	548.10

(Note) Net worth equity capital (In millions of yen)

Term ending in December 2007: 33,640
 Term ending in December 2006: 29,991

(3) Consolidated cash flow status

	Cash flow from sales activities	Cash flow from investment activities	Cash flow from financial activities	Cash and the equivalent term-end balance
	Million Yen	Million Yen	Million Yen	Million Yen
Term ending in Dec. 2007	4,476	4,039	- 1,907	15,529
Term ending in Dec. 2006	3,590	- 2,077	- 1,250	8,824

2. Status of dividends

(As of)	Dividend payment per share			Total dividend for the year	Payout ratio (Consolidated)	Net assets dividend ratio (Consolidated)
	End of interim term	Term end	Year-round			
Fiscal term ended December 2006	Yen Sen 5.00	Yen Sen 6.00	Yen Sen 11.00	Million Yen 601	% 46.0	% 2.0
Fiscal term ended December 2007	6.00	7.00	13.00	714	18.3	2.2
Fiscal term ended December 2008 (Projection)	7.00	7.00	14.00		33.2	

3. Prospects for consolidated results for the term ending in December, 2008 (January 1, 2008 to December 31, 2008)

(Note) The percentage of the through period and that of the interim term show an increase/decrease ratio as compared with the previous term and that of the interim term in the previous year, respectively.

	Sales amount		Operating profit		Ordinary profit		Current term net profit		Current net earnings per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	Sen
Interim term	30,100	5.0	1,780	-6.5	1,750	-10.2	900	-24.5	16.36	
Through period	63,500	6.1	4,530	2.3	4,500	1.3	2,320	-40.6	42.18	

4. Others

(1) Changes in relevant subsidiaries or affiliated companies (accompanied by a change in consolidation range) : None

(2) Changes in principles of and procedures for preparing consolidated financial statements and in display methods.
(Changes to be listed in "Important information underlying the preparation of consolidated financial statements.")

- A. There are changes due to revision of accounting standards.
B. Other changes: None

(3) Outstanding shares (Common shares)

- A. Term-end number of issued stocks (including treasury stocks)
Term ending in December, 2007: 55,076,632 stocks
Term ending in December, 2006: 54,788,632 stocks
- B. Term-end number of treasury stocks
Term ending in December, 2007: 72,866 stocks
Term ending in December, 2006: 69,771 stocks

Reference materials: Individual performance (Summary)

1. Individual business results for the term ending in December, 2007 (January 1, 2007 to December 31, 2007)

(1) Individual business results

(The percentage shows an increase/decrease ratio as compared with the previous term)

	Sales amount		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
Term ending in Dec. 2007	40,396	1.9	2,326	-11.8	2,561	-8.7
Term ending in Dec. 2006	39,634	4.2	2,636	49.6	2,805	28.7

	Current term net profit		Current net earnings per stock		Current term net profit per stock after adjustment of latent stocks	
	Million Yen	%	Yen	Sen	Yen	Sen
Term ending in Dec. 2007	1,657	313.4	30.20		30.09	
Term ending in Dec. 2006	400	-66.5	7.34		7.31	

(2) Individual financial status

	Total assets		Net assets		Capital adequacy ratio		Net asset per share	
	Million Yen		Million Yen			%	Yen	Sen
Term ending in Dec. 2007	57,847		27,341		47.3		497.09	
Term ending in Dec. 2006	57,398		26,511		46.2		484.51	

(Note) Net worth equity capital (In millions of yen)

Term ending in December 2007: 27,341
Term ending in December 2006: 26,511

2. Prospects for individual results for the term ending in December, 2008 (January 1, 2008 to December 31, 2008)

(Note) The percentage of the through period and that of the interim term show an increase/decrease ratio as compared with the previous term and that of the interim term in the previous year, respectively.

	Sales amount		Operating profit		Ordinary profit		Current term net profit		Current net earnings per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	Sen
Interim term	19,700	-1.4	1,010	-21.2	1,100	-24.2	610	-37.2	11.09	
Through period	41,000	1.5	2,425	4.2	2,565	0.1	1,420	-14.3	25.82	

*Special instruction concerning the use of the prospects for business results above

The business results forecasted above were prepared based on information available as of the date of this publication and assumptions deemed reasonable, and the actual business results may be significantly different from the forecasted amounts due to various factors hereafter.

1. Business Results

(1) Analysis of business results

A. Overview of the business results of the current consolidated fiscal year (January 1, 2007 to December 31, 2007)

The Japanese economy has experienced ongoing modest expansion during the first half of the current consolidated fiscal year due to an increase in capital investment mainly in export-oriented industries and due to expanding consumer spending resulting from improved employment environment, while the world's economy experienced smooth expansion both in advanced economies and developing countries. On the other hand, during the later half, the turmoil in financial markets resulting from U.S. sub-prime loan crisis and the sharp rise of crude oil prices and raw materials costs have affected the real economy, as reflected in the slowdown in capital investment and reduced consumer spending.

Our major demand source, the construction industry, maintained relatively steady performance during the first half of the current fiscal year. However, since the middle of the year due to the revised building standard law of Japan, it has experienced a significant drop in new construction starts and experienced harsh business climate.

In these circumstances, the Company's group has further strengthened its revenue base as a metal processing manufacturer, mainly focusing on its core competency, its construction related products, and on its another core business, automotive related products, based on "OKABE Plan Do," the group's midterm three-year management plan starting in fiscal 2007

The following section lists measures the Company's group has taken and resulting business performance sector by sector.

[Construction related products]

The sales of the Company's temporary building and formwork products went up by only 0.2% compared with the previous consolidated fiscal year.

The construction materials/civil engineering products registered a 2.6% decrease from the previous consolidated fiscal year due to reduced public works.

The construction materials and equipment increased by 3.9%, over the previous consolidated fiscal year, well below the projected growth, due to confusion in applying for building approval following the revised building standard law of Japan which came into force, in spite of the Company's efforts in producing and marketing new products, such as base-pack products for H-shaped steel, for absorbing more demand for earthquake-proof products.

The sales of building materials, which were purchased from other companies for resale, decreased by 2.5% from the previous consolidated fiscal year, as a result of narrowing down the selection of products from more profitability-oriented perspective.

Accordingly the sales amount of construction related products totaled 45.315 billion yen (up by 0.1% from the previous consolidated fiscal year) due to the continued emphasis on profitability for obtaining a higher profit rate. The gross profit on sales increased by 0.4% in terms of amounts, and by 0.1 point in percentage terms. Mainly due to increases in depreciation expenses following the introduction of an enterprise resource planning system, the operating profit totaled 2.738 billion yen, down by 7.5% from the previous consolidated fiscal year.

[Automotive related products]

The sales of automotive related products totaled 6.669 billion yen (a decrease by 1.5% as compared with the previous consolidated fiscal year) due to shrinking demand for nuts for trucks, since the repurchase demand for trucks in the United States has returned to the level it used to be. On the other hand, the Company's production rationalization efforts in battery parts resulted in an increase in operating profit to 765 million yen, up by 18.7% as compared with the previous consolidated fiscal year.

[Hotel business]

The sales amount of the Company's hotel business in Canada for the current term was 6.453 billion yen (a 15.2 increase from the previous consolidated fiscal year) due to an increase in the Company's management-contracted hotels and franchised hotels and various sales promotion efforts for achieving higher occupancy rates. The operating profit was 995 million yen, a 53.6% increase from the previous consolidated fiscal year.

[Other businesses]

The sales of other businesses 1.392 billion yen, down by 4.1% from the previous consolidated fiscal year. The operating loss was 71 million yen, improved from the previous consolidated term. (The operating loss for the previous consolidated fiscal year was 154 million yen.)

Accordingly the sales amount recorded for the current consolidated fiscal year was 59.831 billion yen (a 1.2% increase from the previous consolidated fiscal year). The gross profit on sales was 16.769 billion yen (a 4.5% increase from the previous consolidated fiscal year). The operating profit was 4.428 billion yen (an 8.0% increase from the previous consolidated fiscal year) and the ordinary profit was 4.443 billion yen (a 9.0% increase from the previous consolidated fiscal year). The net profit for the current term was 3.902 billion yen (up by 200.6% from the previous consolidated fiscal year) due to profit on sale of fixed assets of 2.382 billion yen following the sale of a hotel owned by Okabe North America, Inc., (a subsidiary fully-owned by the Company.)

(For reference) Sales by each consolidated business/product

(In million yen, and figures less than the unit was omitted)

Business segments		Previous consolidated fiscal year from Jan. 1, 2006 to Dec. 31, 2006		Current consolidated fiscal year from Jan. 1, 2007 to Dec. 31, 2007		Percentage change
		Amount	Composition ratio	Amount	Composition ratio	
Construction related products	Temporary building and formwork products	9,867	16.7%	9,889	16.5%	0.2%
	Civil engineering products	5,385	9.1	5,246	8.8	-2.6
	Construction materials/equipment	14,144	23.9	14,691	24.5	3.9
	Building material	15,887	26.9	15,489	25.9	-2.5
	Total of Construction related products	45,284	76.6	45,315	75.7	0.1
Automotive related products		6,774	11.5	6,669	11.2	-1.5
Hotel business		5,603	9.5	6,453	10.8	15.2
Other businesses		1,451	2.4	1,392	2.3	-4.1
Grand total		59,114	100.0	59,831	100.0	1.2

(Note) For details of each business segment, please refer to "Information on Segments" on page 15.

B. Estimate for the full year (the term ending in December 2008)

(In million yen, and figures less than the unit are omitted.)

	Sales amount	Operating profit	Ordinary profit	Current term net profit
Term ending in December 2008 (Estimate)	63,500	4,530	4,500	2,320
Term ending in December 2007 (Actual)	59,831	4,428	4,443	3,902
Ratio of increase/decrease (%)	6.1	2.3	1.3	-40.6

Note: The profit on sale of fixed assets of 2.382 billion yen following the sale of a hotel owned by Okabe North America, Inc., (a subsidiary fully-owned by the Company.) was recorded during the term ending in December 2007.

(2) Analysis on financial status

A. Status of assets, liabilities and net assets

The Company's assets for the current consolidated fiscal year rose by 4.488 billion yen as compared with the previous consolidated fiscal year to 74.36 billion yen following increases in cash and deposits mainly due to the sale of a hotel owned by Okabe North America, Inc.

The amount of the Company's liabilities for the current consolidated fiscal year was increased by 820 million yen as compared with the previous consolidated fiscal year to 40.232 billion yen mainly due to increases in accounts payable on trust.

The Company's net asset for the current consolidated fiscal year was 34.127 billion yen and the Company's capital adequacy ratio was 45.3%, up by 2.4 percentage points from the previous same period.

B. Status of cash flow

The cash and the cash equivalent for the current consolidated fiscal year on a consolidated basis rose by 6.74 billion yen to 15.529 billion yen.

The following is the status of cash flow for the current consolidated fiscal year and main reasons for the increase.

(Cash flow from sales activities)

The cash flow from sales activities (operating activities) for the current consolidated fiscal year recorded an increase of 886 million yen as compared with the previous consolidated fiscal year, to 4.476 billion yen, mainly due to increases in current net earnings before adjustment of tax etc. and further decrease in trade receivables.

(Cash flow from investment activities)

The cash flow from investment activities for the current consolidated fiscal year indicated an increase from the expenditure of 2.077 billion yen for the previous consolidated fiscal year, to 4.039 billion yen, mainly due to increasing income from disposal of tangible assets.

(Cash flow from financial activities)

The cash flow from financial activities for the current consolidated fiscal year showed an increase of expenditure of 657 million yen as compared with the previous consolidated fiscal year, to 1.907 billion yen expenditure, mainly due to increases in expenditure for repayment of short-term and long-term loan and dividends paid.

Changes in cash flow indices of our group on a consolidated basis are as follows:

	Fiscal year ending in Dec. 2003	Fiscal year ending in Dec. 2004	Fiscal year ending in Dec. 2005	Fiscal year ending in Dec. 2006	Fiscal year ending in Dec. 2007
Capital adequacy ratio (%)	38.8	41.5	41.7	42.9	45.3
Capital adequacy ratio at current value (%)	13.3	19.8	35.5	38.8	35.7
Interest bearing debt / cash flow (Year)	9.8	7.5	—	4.4	3.4
Interest coverage ratio (Times)	3.7	4.1	—	7.6	7.9

(Note) Capital adequacy ratio :

Capital adequacy / Total assets

Capital adequacy ratio at current value : Total value of shares / Total assets

Interest bearing debt / cash flow : Debt with interest / Cash flow from sales activities

Interest coverage ratio : Cash flow from sales activities / interest payment

*Each index is calculated by the following formulas with financial values on a consolidated basis.

*The total market value of shares is calculated based on the number of issued shares excluding treasury stock.

*Interest bearing debt means all debts for which interest is paid in the consolidated balance sheet.

"Interest bearing debt / cash flow" and "interest coverage ratio" for the fiscal term ending in December 2005 are not disclosed above because the operating cash flow was negative for the term.

(3) The Company's basic policy on distribution of profits

Our policy on dividends is to determine the dividends, taking the level of consolidated business results into consideration, making adjustment for extreme changes in the results of each fiscal year and enhancing the retained earnings for strengthening the constitution of the Company and for the future business development. The retained earnings will be utilized for enhancing our competitiveness by improving production system, research and development.

In accordance with the above policy, we will return profits to shareholders depending on consolidated operating results of each fiscal year. We plan to pay dividends at the rate of ¥15 per share a year in 2009.

2. Current status of our group companies

Our group companies (the Company and its affiliated companies) consist of the Company, 20 subsidiaries (of which 18 companies are consolidated) and 7 affiliated companies. Our principal business is manufacturing and sales of building materials and equipment. The group also focuses on developing other business fields.

Positions of the Company and its main affiliated companies in the group and their relations with business segments are as follows:

(1) Construction product business

[Temporary building and formwork products]

The Company develops related construction methods as well as developing, manufacturing and selling related products. OMM Co., Ltd. is a manufacturing subsidiary that manufactures temporary building and formwork products. We have nationwide distribution networks which consist of branches of the Company as well as two local dealers, Sanyo Okabe Co., Ltd. and Okako Shikoku Co., Ltd. Okabe Lease Co., Ltd. leases products applicable to other uses, that are mainly purchased from the Company. OTCM Co., Ltd., our Taiwan-based affiliate dealer, is now in the course of liquidation.

[Civil engineering products]

The Company develops related construction methods as well as developing and manufacturing related products. The methods and the products are marketed by Okabe Civil Engi Co., Ltd, which was divided from the Company as of April 2, 2007 and is now operating as a newly established company and purchasing them from the Company.

[Construction materials and equipment]

The Company develops related construction methods as well as developing, manufacturing and selling related equipment. The Company also entrusts its technical services related to our construction-related product businesses to Base Business Co., Ltd.

[Building products]

The Company sells building products purchased from other companies through our distribution networks. In addition, the Company sells products that are purchased from other companies, through OCM, Inc., our US-based affiliate dealer, in the United States.

[Temporary personnel service]

Okabe Manpower Co., Ltd. introduces and dispatches personnel to businesses relevant to construction products.

(2) Automobile related product business

Okabe Co., Inc., a US-based affiliate dealer, designs and sells bolts and screw nuts for automobiles mainly in the U.S. market. Water Gremlin Co., another US-based affiliate dealer, manufactures and sells battery terminals for automobiles in the U.S. Our Italian-based affiliate, Aquila Piombo S.r.l., manufactures and markets automobile battery parts for the Italian market. Okabe Holding USA, Inc., is a holding company that wholly owns both Water Gremlin Co. and Aquila Piombo S.r.l.

(3) Hotel business

Okabe North America, Inc., a Canada-based affiliate, leases real estate of hotel facilities to its subsidiary company, Coast Hotel Ltd., to run hotel business.

(4) Other businesses

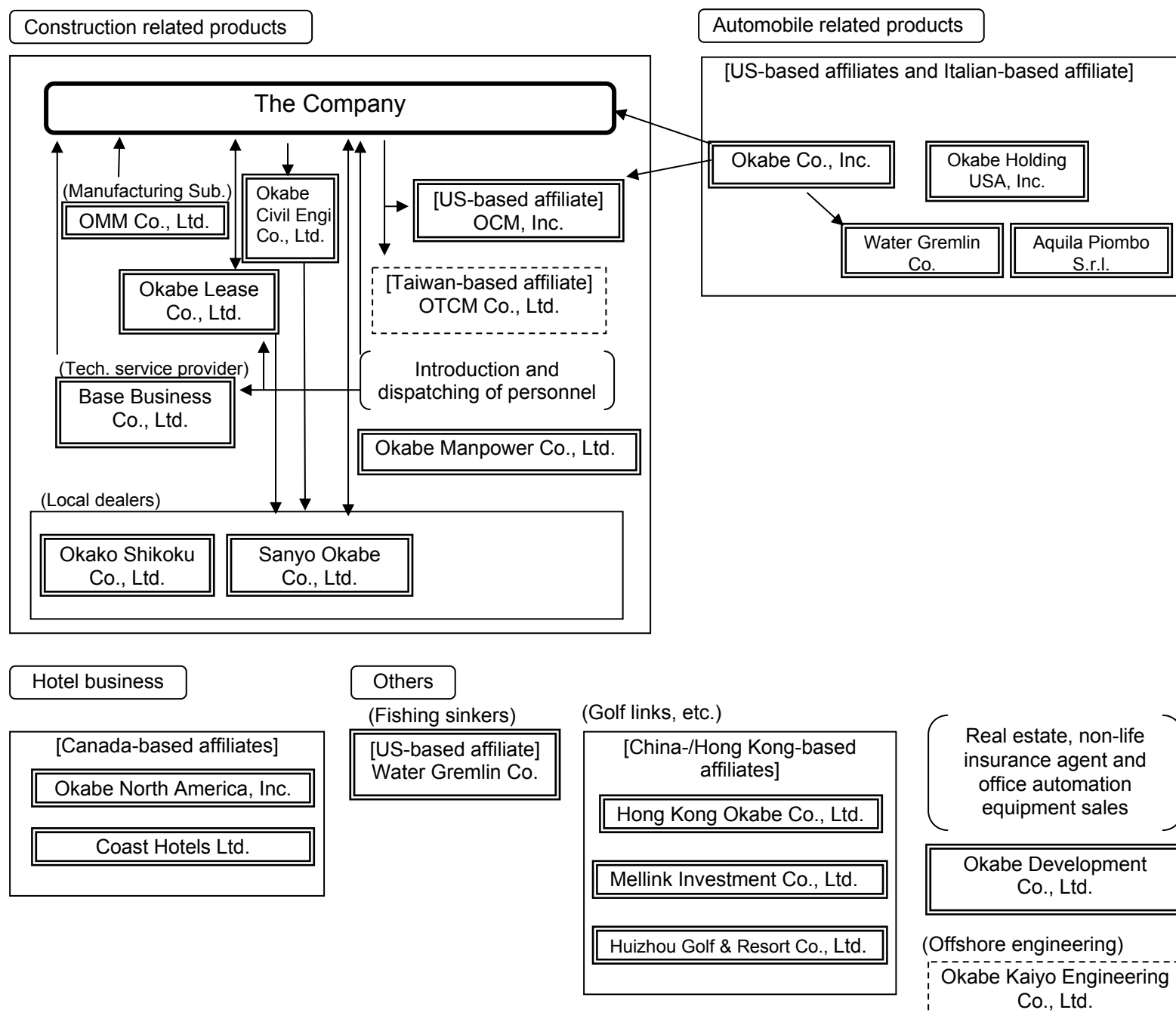
Okabe Development Co., Ltd. is engaged in the sale/purchase, mediation, introduction and management of real estate, damage insurance agency business and the sale of OA equipment.

Hong Kong Okabe Co., Ltd., a Hong-Kong-based affiliate, is a holding company on site, and its subsidiary companies, Mellink Investment Co., Ltd. and Huizhou Golf & Resort Co., Ltd manage golf links in China.

Water Gremlin Co. mainly produces and sells automobile related products, and also manufactures and sells fishing sinkers, which are non-automobile related products.

Okabe Kaiyo Engineering Co., Ltd. is engaged in consulting business for artificial greening method of denuded rocky shores over relatively shallow water beds in the ocean civil engineering area, and markets related products.

Our group's organizational tree is as follows:



: The Company
 : Consolidated subsidiaries
 : Unconsolidated subsidiaries

(Note)

1. The Company merged Kansai Okabe Co., Ltd. as of January 1, 2007.
2. The Company separated and newly established Okabe Civil Engi Co., Ltd. as of April 2, 2007.
3. The Company acquired all the shares of Aquila Piombo S.r.l. during the current consolidated fiscal year. Accordingly, Aquila Piombo S.r.l. has been included in the scope of consolidation. Yet, since the Company acquired the shares of Aquila Piombo S.r.l. as of the term end of the current consolidated fiscal year, only its balance sheet is consolidated.
4. OTCM Co., Ltd. is now in the course of liquidation.

3. Management policy

(1)

This paper does not refer to the Company's basic management policy and Medium- to long-term business management strategy. This is because there is no significant change in the above policy and strategy since they were disclosed on the Summary Consolidated Financial Statement for the Term Ending in December 2006 (which was published on February 22, 2007).

For the above Summary Consolidated Financial Statement report and "OKABE Plan Do," the group's midterm three-year management plan starting in fiscal 2007, can be found on the Company's web site: <http://www.okabe.co.jp/>

(2) Problems that the Company should deal with

The Company expects a certain level of increase in demand for its products, reflecting a gradual recovery in the volume of new construction work following the significant drop in the demand due to delays in applying for building approval after the revised building standard law of Japan came into force. At the same time, the business climate surrounding the Company is far from rosy, since there are concerns about price hikes in raw materials.

In this environment, the Company's group has set a goal of marking increases both in sales and profit for five consecutive terms. We will maintain efforts to develop products in the Company's core business, its construction related product, and on another core business, automotive related products. We will create a market and increase customer satisfaction as well as enhance the marketing efforts of high-value added products, focusing more on profitability-oriented businesses. In addition, every one in the Company and its group keeps in mind that our corporate value is to offer "safety and sense of security" to our customers through reliable products and services, and the Company and its group will work together to further enhance and strengthen their compliance systems.

4. Consolidated financial statements etc.

(1) Consolidated balance sheet

(Unit: thousand yen)

Account title	Notes	Previous consolidated fiscal year (as of Dec. 31, 2006)		Current consolidated fiscal year (as of Dec. 31, 2007)		Increase /Decrease
		Amount	Ratio	Amount	Ratio	Amount
(Assets)			%		%	
I. Current assets						
1. Cash and deposit with banks		9,614,675		15,529,034		
2. Notes receivable and accounts receivable	Note 4	20,640,458		20,130,051		
3. Inventory		5,988,164		7,029,010		
4. Deferred tax assets		262,295		190,260		
5. Others		1,486,669		848,669		
6. Reserve for bad loans		- 56,689		- 60,368		
Total current assets		37,935,573	54.3	43,666,658	58.7	5,731,084
II. Fixed assets						
(1) Tangible fixed assets	Note 1					
1. Buildings and constructions	Note 2	8,279,224		7,612,550		
2. Machinery, equipment and vehicles		3,728,575		3,399,424		
3. Land	Note 2	5,511,861		3,287,773		
4. Construction in progress		1,600,587		1,724,833		
5. Others	Note 2	1,627,674		1,685,299		
Total tangible fixed assets		20,747,923	29.7	17,709,881	23.8	- 3,038,042
(2) Intangible fixed assets		-		1,386,874		
1. Noren		803,481		-		
2. Goodwill		57,066		-		
3. Consolidation adjustment account		1,833,932		2,248,862		
4. Others						
Total intangible fixed assets		2,694,479	3.9	3,635,736	4.9	941,257
(3) Investments and other assets						
1. Investment securities	Note 3	3,898,136		4,920,100		
2. Long-term loan		2,367,013		2,455,979		
3. Deferred tax assets		1,000,999		825,455		
4. Others		1,937,657		1,733,759		
5. Reserve for bad loans		- 718,683		- 587,420		
Total of investment and other assets		8,485,123	12.1	9,347,874	12.6	862,750
Total fixed assets		31,927,526	45.7	30,693,492	41.3	- 1,234,034
III Deferred assets						
1. Expenses for issuing new stocks		8,543		-		
Total of deferred assets		8,543	0.0	-	-	- 8,543
Grand total of assets		69,871,644	100.0	74,360,150	100.0	4,488,506

(Unit: thousand yen)

Account title	Notes	Previous consolidated fiscal year (as of Dec. 31, 2006)		Current consolidated fiscal year (as of Dec. 31, 2007)		Increase /Decrease
		Amount	Ratio	Amount	Ratio	Amount
(Liabilities)			%		%	
I. Current liabilities						
1. Notes payable and accounts payable	Note 4	10,456,676		6,729,904		
2. Accounts payable on trust		5,274,428		9,384,192		
3. Short-term borrowings	Note2&5	7,012,000		3,991,374		
4. Unpaid corporate tax		825,804		526,005		
5. Deferred tax liabilities		12,714		31,404		
6. Reserve for bonus		69,770		71,633		
7. Allowance for directors' bonuses		71,990		88,950		
8. Others		2,040,182		2,798,801		
Total current liabilities		25,763,567	36.9	23,622,264	31.8	-2,141,302
II. Fixed liabilities						
1. Long-run borrowings	Note 2	8,838,876		11,341,111		
2. Deferred tax liabilities		1,387,024		1,833,946		
3. Reserve for retirement allowances		2,238,613		2,033,874		
4. Reserve for directors' retirement allowance		158,510		19,378		
5. Others		1,025,585		1,381,932		
Total fixed liabilities		13,648,610	19.5	16,610,243	22.3	2,961,632
Grand total of liabilities		39,412,178	56.4	40,232,507	54.1	820,329
(Net assets)						
I. Stockholders' equity						
1. Capital		6,821,232	9.8	6,875,218	9.3	53,986
2. Capital surplus		6,051,180	8.6	6,105,223	8.2	54,042
3. Earned surplus		15,549,170	22.2	18,760,977	25.2	3,211,807
4. Company's own shares (Treasury stocks)		- 15,712	- 0.0	- 17,723	- 0.0	- 2,011
Grand total of stockholders' equity		28,405,871	40.6	31,723,695	42.7	3,317,824
II. Variance of appraisal/exchange						
1. Other variance of appraisal of securities		663,858	1.0	338,394	0.5	- 275,464
2. Foreign currency translation adjustment		921,907	1.3	1,528,797	2.1	606,890
Total variance of appraisal/exchange		1,585,765	2.3	1,917,192	2.6	331,426
III. Minority equity						
Total net assets		467,829	0.7	486,755	0.6	18,926
Grand total of liabilities and net assets		30,459,466	43.6	34,127,642	45.9	3,668,176
		69,871,644	100.0	74,360,150	100.0	4,488,506

(2) Consolidated income statement

(Unit: thousand yen)

Account title	Notes	Previous consolidated fiscal year (From Jan. 1, 2006 to Dec. 31, 2006)		Current consolidated fiscal year (From Jan. 1, 2007 to Dec. 31, 2007)		Increase/ Decrease
		Amount	Ratio	Amount	Ratio	Amount
I. Sales amount		59,114,478	100.0	59,831,304	100.0	716,826
II. Cost of sales	Note 4	43,066,027	72.9	43,062,152	72.0	-3,875
Gross profits on sales		16,048,451	27.1	16,769,152	28.0	720,701
III. Selling general and administrative expenses	Notes1&4	11,949,040	20.2	12,340,964	20.6	391,924
Operating profit		4,099,411	6.9	4,428,188	7.4	328,777
IV. Non-Operating revenue						
1. Interest earned		173,925		279,342		
2. Dividend received		154,185		86,022		
3. Rent income		71,264		25,525		
4. Income from sale of scrap		45,707		79,750		
5. Others		87,307		146,014		
total		532,390	0.9	616,656	1.0	84,266
V. Non-operating expenses						
1. Interest paid		516,959		552,372		
2. Loss on sale of bills		3,130		54		
3. Others		36,275		48,612		
total		556,365	0.9	601,039	1.0	44,674
Ordinary profit		4,075,435	6.9	4,443,804	7.4	368,368
VI. Extraordinary profit						
1. Gain on disposal of fixed assets	Note 2	28,909		2,382,437		
2. Gain on disposal of investment securities		461,996		35,175		
3. Others		37,364		8,944		
total		528,270	0.9	2,426,557	4.0	1,898,286
VII. Extraordinary loss						
1. Loss on disposal of fixed assets	Note 3	203,865		214,552		
2. Impairment loss	Note 5	1,370,580		159,349		
3. Special repair expenses		—		70,900		
4. Others		141,396		118,691		
total		1,715,841	2.9	563,493	0.9	-1,152,348
Current term net profit before adjustment of tax etc		2,887,864	4.9	6,306,868	10.5	3,419,004
Corporate, residential and business taxes		1,647,603	2.8	1,641,319	2.7	- 6,284
Corporate and other tax adjustment		- 204,076	- 0.4	714,705	1.2	918,781
Minority stockholders' income		146,174	0.3	48,391	0.1	-97,782
Current term net profit		1,298,162	2.2	3,902,451	6.5	2,604,289

(3) Consolidated shareholder's equity change statement

Previous consolidated fiscal year (from January 1, 2006 to December 31, 2006)

(Unit: thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Earned surplus	Company's own shares	Grand total of stockholders' equity
I. Closing balance as of 31 December 2005	6,810,746	5,966,113	14,853,739	- 282,598	27,348,000
II. Change in the consolidated fiscal year					
1. New issue of shares	10,486	10,400			20,886
2. Dividend from surplus			- 187,662		- 187,662
3. Dividend from surplus (midterm dividend)			- 268,982		- 268,982
4. Payment of directors' bonuses			- 44,362		- 44,362
5. Current term net profit			1,298,162		1,298,162
6. Payback				- 3,261	- 3,261
7. Disposal of own shares		74,667		78,561	153,228
8. Reduced consolidated subsidiaries			2,338		2,338
9. Reduced equity method affiliates			- 104,062	191,587	87,525
10. Change in the consolidated fiscal year other than shareholders' equity (net)					-
III. Total change in the consolidated fiscal year	10,486	85,067	695,430	266,886	1,057,870
IV. Closing balance as of 31 December 2006	6,821,232	6,051,180	15,549,170	- 15,712	28,405,871

	Variance of appraisal/exchange			Minority equity	Total net assets
	Other variance of appraisal of securities	Foreign currency translation adjustment	Total variance of appraisal / exchange		
I. Closing balance as of 31 December 2005	468,119	133,393	601,513	254,944	28,204,458
II. Change in the consolidated fiscal year					
1. New issue of shares			-		20,886
2. Dividend from surplus			-		- 187,662
3. Dividend from surplus (midterm dividend)			-		- 268,982
4. Payment of directors' bonuses			-		- 44,362
5. Current term net profit			-		1,298,162
6. Payback			-		- 3,261
7. Disposal of own shares			-		153,228
8. Reduced consolidated subsidiaries			-		2,338
9. Reduced equity method affiliates			-		87,525
10. Change in the consolidated fiscal year other than shareholders' equity (net)	195,738	788,513	984,252	212,885	1,197,137
III. Total change in the consolidated fiscal year	195,738	788,513	984,252	212,885	2,255,008
IV. Closing balance as of 31 December 2006	663,858	921,907	1,585,765	467,829	30,459,466

Current consolidated fiscal year (from January 1, 2007 to December 31, 2007)

(Unit: thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Earned surplus	Company's own shares	Grand total of shareholders' equity
I. Closing balance as of 31 December 2006	6,821,232	6,051,180	15,549,170	- 15,712	28,405,871
II. Change in the consolidated fiscal year					
1. New issue of shares	53,986	53,964			107,950
2. Dividend from surplus			- 657,871		- 657,871
3. Current term net profit			3,902,451		3,902,451
4. Payback				- 2,070	- 2,070
5. Disposal of own shares		78		58	137
6. Increase in consolidated subsidiaries			- 32,772		- 32,772
7. Change in the consolidated fiscal year other than shareholders' equity (net)					-
III. Total change in the consolidated fiscal year	53,986	54,042	3,211,807	- 2,011	3,317,824
IV. Closing balance as of 31 December 2007	6,875,218	6,105,223	18,760,977	- 17,723	31,723,695

	Variance of appraisal/exchange			Minority equity	Total net assets
	Other variance of appraisal of securities	Foreign currency translation adjustment	Total variance of appraisal / exchange		
I. Closing balance as of 31 December 2006	663,858	921,907	1,585,765	467,829	30,459,466
II. Change in the consolidated fiscal year					
1. New issue of shares			-		107,950
2. Dividend from surplus			-		- 657,871
3. Current term net profit			-		3,902,451
4. Payback			-		- 2,070
5. Disposal of own shares			-		137
6. Increase in consolidated subsidiaries			-		- 32,772
7. Change in the consolidated fiscal year other than shareholders' equity (net)	- 275,464	606,890	331,426	18,926	350,352
III. Total change in the consolidated fiscal year	- 275,464	606,890	331,426	18,926	3,668,176
IV. Closing balance as of 31 December 2007	388,394	1,528,797	1,917,192	486,755	34,127,642

(4) Consolidated Cash Flow Statement

(Unit: thousand yen)

		Previous consolidated fiscal year (From Jan. 1, 2006 to Dec. 31, 2006)	Current consolidated fiscal year (From Jan. 1, 2007 to Dec. 31, 2007)	Increase/decrease
Account title	Notes	Amount	Amount	Amount
I. Cash flow from sales activities				
1. Current term net profit before adjustment for tax etc		2,887,864	6,306,868	
2. Depreciation expenses		1,344,615	1,569,216	
3. Impairment loss		1,370,580	159,349	
4. Increase or decrease(-) in reserve for bad loans		1,367	- 127,584	
5. Decrease in reserve for retirement allowance		- 322,759	- 243,698	
6. Received interest and received dividend		- 328,110	- 365,365	
7. Interest paid		516,959	552,372	
8. Gain on disposal of invested securities		- 465,700	- 42,109	
9. Profit on the sale of tangible fixed assets		- 28,909	- 2,382,437	
10. Increase (-) or decrease in trade receivables		- 887,526	982,854	
11. Decrease in other receivables		15,890	209,700	
12. Increase in procurement payables		222,239	314,623	
13. Increase in other debts		421,423	36,716	
14. Increase in asset in inventory		- 106,841	- 719,681	
15. Others		256,401	205,419	
Sub-total		4,897,493	6,456,244	
16. Corporate tax paid etc.		- 1,307,208	- 1,979,596	
Cash flow from sales activities		3,590,284	4,476,648	886,363
II. Cash flow from investment activities				
1. Expenditure for fixed deposit		- 789,741	- 221,050	
2. Income from refunding of fixed deposit		-	1,010,792	
3. Expenditure from acquisition of tangible assets		- 1,983,290	- 1,497,554	
4. Income from disposal of tangible assets		562,393	6,923,226	
5. Expenditure for acquisition of intangible assets		- 906,632	- 707,880	
6. Expenditure for acquisition of investment securities		- 377,464	- 2,522,504	
7. Income from disposal of investment securities		994,105	1,022,422	
8. Expenditure for acquisition of subsidiaries' stocks which requires changes in scope of consolidation		-	- 1,104,062	
9. Expenditure for loan		- 130,934	- 33,000	
10. Income from collection of loan		353,525	67,744	
11. Received interest and received dividend		163,679	1,036,627	
12. Others		36,832	65,151	
Cash flow from investment activities		- 2,077,526	4,039,912	6,117,439
III. Cash flow from financial activities				
1. Income from short-term loan		24,078,955	29,143,058	
2. Expenditure for repayment of short-term loan		- 24,241,194	- 29,481,036	
3. Income by long-term loan		3,430,000	4,500,000	
4. Expenditure for repayment of long-term loan		- 3,797,976	- 4,920,892	
5. Income from issuing stocks		20,886	107,950	
6. Dividends paid		- 475,415	- 685,809	
7. Interest paid		- 474,202	- 569,098	
8. Others		208,609	- 1,988	
Cash flow from financial activities		- 1,250,337	- 1,907,815	- 657,478
IV. Exchange difference of cash and the equivalent		66,953	565	
V. Increase in cash and the equivalent		329,373	6,609,310	6,279,936
VI. Cash and the equivalent at the beginning of the year		8,624,736	8,824,934	
VII. Cash and the equivalent from newly consolidation		-	94,789	
VIII. Decrease in cash and the equivalent due to non-consolidation		- 129,176	-	
IX. Cash and the equivalent term-end balance		8,824,934	15,529,034	6,704,100

Information on Segment

(1) Information on Segment by type of Business

Previous consolidated fiscal year (From Jan. 1, 2006 to Dec. 31, 2006)

(Unit: thousand yen)

	Construction related products	Automotive related products	Hotel business	Other businesses	Total	Elimination or all companies	Consolidated
I. Sales and operating profit / loss							
Sales							
(1) Sales for outside clients	45,284,742	6,774,708	5,603,408	1,451,619	59,114,478	—	59,114,478
(2) Inside sales and transfer amounts among segments	—	31,382	—	47,016	78,399	(78,399)	—
Total	45,284,742	6,806,091	5,603,408	1,498,635	59,192,878	(78,399)	59,114,478
Operating expenses	42,323,725	6,160,844	4,955,315	1,653,581	55,093,467	(78,399)	55,015,067
Operating profit and loss (-)	2,961,016	645,247	648,092	-154,945	4,099,411	(—)	4,099,411
II. Assets, Depreciation expenses, Impairment loss and Capital expenditures							
Assets	42,346,758	8,173,754	13,393,638	3,351,864	67,266,016	2,605,627	69,871,644
Depreciation expenses	600,740	373,352	280,997	132,942	1,388,032	(3,201)	1,384,831
Impairment loss	1,254,711	—	—	128,157	1,382,869	(12,289)	1,370,580
Capital expenditures	2,067,349	147,220	1,049,748	20,659	3,284,977	(760)	3,284,217

(Note) 1. Business classification method

Classification method of business in the Company is based on the units of tallying up of sales, and business is segmented taking into account the affinity of usage and selling methods of products or the like.

2. Main contents of each business unit

Construction related product business: Manufacturing/sales of temporary building and formwork products, civil engineering products, construction equipment/materials and building materials

Automotive related product business: Manufacturing/sales of automotive related products

Hotel business: Hotel operation

Other businesses: Other sections include real estate businesses, agent of damage insurance, selling of OA equipment, mini-laboratory chains, manufacturing and marketing of fishing sinkers in the United States, and operation of golf courses in China

3. Of the assets, the amount of the total Company's assets included in "Elimination or all companies" is 5,379,458 thousand yen, and the main assets are those related to extra capital working funds (deposits and securities) and long-term investment funds (investment in securities) of the Company.

4. "Depreciation expenses" include the depreciation charges of the long-term prepaid expenses. "Capital expenditures" include capital outlays of the long-term prepaid expenses.

Current consolidated fiscal year (From Jan. 1, 2007 to Dec. 31, 2007)

(Unit: thousand yen)

	Construction related products	Automotive related products	Hotel business	Other businesses	Total	Elimination or all companies	Consolidated
I. Sales and operating profit / loss							
Sales							
(1) Sales for outside clients	45,315,632	6,669,954	6,453,482	1,392,235	59,831,304	—	59,831,304
(2) Inside sales and transfer amounts among segments	—	1,121	—	59,257	60,379	(60,379)	—
Total	45,315,632	6,671,075	6,453,482	1,451,493	59,891,684	(60,379)	59,831,304
Operating expenses	42,576,828	5,905,477	5,458,256	1,522,933	55,463,495	(60,379)	55,403,116
Operating profit and loss (-)	2,738,804	765,598	995,225	-71,439	4,428,188	(—)	4,428,188
II. Assets, Depreciation expenses, Impairment loss and Capital expenditures							
Assets	40,930,746	10,000,026	16,681,300	3,920,636	71,532,710	2,827,440	74,360,150
Depreciation expenses	748,565	425,020	296,840	141,399	1,611,826	(2,613)	1,609,212
Impairment loss	319,009	—	—	—	319,009	(159,660)	159,349
Capital expenditures	1,501,794	231,850	1,140,535	21,687	2,895,866	(507)	2,895,359

(Note) 1. Business classification method

Classification method of business in the Company is based on the units of tallying up of sales, and business is segmented taking into account the affinity of usage and selling methods of products or the like.

2. Main contents of each business unit

Construction related product business: Manufacturing/sales of temporary building and formwork products, civil engineering products, construction equipment/materials and building materials

Automotive related product business: Manufacturing/sales of automotive related products

Hotel business: Hotel operation
 Other businesses: Other sections include real estate businesses, agent of damage insurance, selling of OA equipment, manufacturing and marketing of fishing sinkers in the United States, and operation of golf courses in China

3. Of the assets, the amount of the total Company's assets included in "Elimination or all companies" is 6,049,792 thousand yen, and the main assets are those related to extra capital working funds (deposits and securities) and long-term investment funds (investment in securities) of the Company.
4. "Depreciation expenses" include the depreciation charges of the long-term prepaid expenses. "Capital expenditures" include capital outlays of the long-term prepaid expenses.

(2) Information on segment according to location

Previous consolidated fiscal year (From Jan. 1, 2006 to Dec. 31, 2006) (Unit: thousand yen)

	Japan	North America	Other	Total	Elimination or all companies	Consolidated
I. Sales and operating profit / loss						
Sales						
(1) Sales for outside clients	45,726,179	13,206,231	182,067	59,114,478	—	59,114,478
(2) Inside sales and transfer amounts among segments	89,442	21,404	—	110,846	(110,846)	—
Total	45,815,621	13,227,636	182,067	59,225,325	(110,846)	59,114,478
Operating expenses	42,872,211	11,882,962	370,740	55,125,914	(110,846)	55,015,067
Operating profit and loss (-)	2,943,409	1,344,673	- 188,672	4,099,411	(—)	4,099,411
II. Assets	42,368,490	21,660,308	2,409,783	66,438,583	3,433,061	69,871,644

(Notes) 1. The classification method of countries or territories is based on geographical proximity.

2. Main countries or territories belonging to each region.

North America USA, Canada

Other China

3. Of the assets, the amount of the total Company's assets included in "elimination or all companies" is 5,379,458 thousand yen, and the main assets are those related to extra capital working funds (deposits and securities) and long-term investment funds (investment in securities) of the Company.

Current consolidated fiscal year (From Jan. 1, 2007 to Dec. 31, 2007) (Unit: thousand yen)

	Japan	North America	Other	Total	Elimination or all companies	Consolidated
I. Sales and operating profit / loss						
Sales						
(1) Sales for outside clients	45,440,300	14,168,130	222,873	59,831,304	—	59,831,304
(2) Inside sales and transfer amounts among segments	106,295	31,751	—	138,047	(138,047)	—
Total	45,546,596	14,199,882	222,873	59,969,352	(138,047)	59,831,304
Operating expenses	42,880,268	12,252,814	408,081	55,541,164	(138,047)	55,403,116
Operating profit and loss (-)	2,666,328	1,947,068	- 185,208	4,428,188	(—)	4,428,188
II. Assets	40,355,514	27,370,379	2,847,642	70,573,536	3,786,614	74,360,150

(Notes) 1. The classification method of countries or territories is based on geographical proximity.

2. Main countries or territories belonging to each region.

North America USA, Canada

Other China

3. Of the assets, the amount of the total Company's assets included in "elimination or all companies" is 6,049,792 thousand yen, and the main assets are those related to extra capital working funds (deposits and securities) and long-term investment funds (investment in securities) of the Company.

(3) Overseas sales

Previous consolidated fiscal year (From Jan. 1, 2006 to Dec.31, 2006) (Unit: thousand yen)

	North America	Others	Total
Overseas sales	11,794,794	1,615,991	13,410,785
Consolidated sales			59,114,478
Ratio of overseas sales to consolidated sales	20.0%	2.7%	22.7%

- (Note) 1. The classification method of countries or territories is based on geographical proximity.
 2. Main countries or territories belonging to each region.
 North America USA, Canada
 Others ... China, Australia, Mexico, Columbia and others
 3. The overseas sales show the amount of sales in counties or territories other than Japan by our Company and its consolidated subsidiaries.

Current consolidated fiscal year (From Jan. 1, 2007 to Dec. 31, 2007) (Unit: thousand yen)

	North America	Others	Total
Overseas sales	12,566,357	1,847,267	14,413,624
Consolidated sales			59,831,304
Rate of overseas sales to consolidated sales	21.0%	3.1%	24.1%

- (Note) 1. The classification method of countries or territories is based on geographical proximity.
 2. Main countries or territories belonging to each region.
 North America USA, Canada
 Others ... China, Australia, Mexico, Columbia and others
 3. The overseas sales show the amount of sales in counties or territories other than Japan by our Company and its consolidated subsidiaries.