

Financial Review for the Third Quarter of the Term Ending in December 2008

October 30, 2008

Name of listed company: Okabe Co., Ltd.
 Stock exchange: (Listed in) Tokyo Stock Exchange (first section)
 Code number: 5959
 URL: <http://www.okabe.co.jp/>
 Representative: Noriaki Matsumoto, President
 Responsible person for inquiries: Eiichi Tomita, Managing Director in charge of Management Division
 Tel: (03) 3624-5119

(Note) Amount less than one million yen discarded.

1. Consolidated business results for the third quarter of the term ending in December 2008 (January 1, 2008 to September 30, 2008)

(1) Consolidated Business Results

(The percentage shows increase/decrease from the same period of the previous year.)

	Sales amount		Operating profit		Ordinary profit		Quarter net profit (current term)	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Third quarter of term ending in Dec. 2008	47,637	8.6	3,922	26.0	4,056	29.6	2,053	-11.6
Third quarter of term ending in Dec. 2007	43,868	1.4	3,113	9.8	3,129	11.1	2,322	257.0
Fiscal term ended December 2007	59,831	-	4,428	-	4,443	-	3,902	-

	Quarter profit (Current term) per stock		Quarter (Current term) net profit per stock after adjustment of latent stocks	
	Yen	Sen	Yen	Sen
Third quarter of term ending in Dec. 2008	37.32		37.27	
Third quarter of term ending in Dec. 2007	42.35		42.18	
Fiscal term ended December 2007	71.12		70.86	

(2) Consolidated Financial Status

	Total assets	Net assets	Capital adequacy ratio	Net assets worth	
	Million Yen	Million Yen	%	Yen	Sen
Third quarter of term ending in Dec. 2008	75,185	34,840	45.7	624.16	
Third quarter of term ending in Dec. 2007	71,021	32,758	45.5	587.31	
Fiscal term ended December 2007	74,360	34,127	45.3	611.61	

(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
Third quarter of term ending in Dec. 2008	3,950	- 36	- 692	18,723
Third quarter of term ending in Dec. 2007	2,345	1,524	- 1,759	10,994
Fiscal term ended December 2007	4,476	4,039	- 1,907	15,529

2. Status of dividends

(As of)	Dividend payment per share									
	End of the 1st quarter		End of interim term		End of the 3rd quarter		Term end		Year-round	
Fiscal term ended December 2007	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
	–		6.00		–		7.00		13.00	
Fiscal term ended December 2008	–		7.00		–		–			
Fiscal term ended December 2008 (Projection)	–		–		–		7.00		14.00	

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

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

	Sales amount		Operating profit		Ordinary profit		Current term profit		Current net earnings per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	Sen
Through period	63,500	6.1	4,690	5.9	4,800	8.0	2,440	-37.5	44.36	

4. Others

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

(2) Simplified procedures for accounting have been adopted.

(3) Changes in procedure for accounting compared to the last consolidated fiscal year: None

For more details, please refer to “4. Others” of “Qualitative Information and Financial Statements” found in Page 5.

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.

Qualitative Information and Financial Statements

1. Qualitative Information on Consolidated Business Results

The Japanese economy experienced a very challenging environment during the current third quarter (from January 1, 2008 through September 30, 2008) due to increasingly-apparent slowdown in economic activities, with price hikes for raw materials putting more pressure on corporate profits and pushing prices up, and with the slowdown of the real economy affected by the prolonged financial market turmoil following the U.S. sub-prime mortgage collapse.

Our major demand source, the construction industry, experienced a harsh business climate. New residential construction starts remained slow and still below the level of two years ago, due to sluggish consumption under the influence of economic slowdown, in addition to a sharp drop in new construction starts following a turmoil due to the revised building codes that came into force on June 2007 though they are showing some signs of recovery after the turmoil somewhat eased. Furthermore, building costs have increased due to skyrocketing prices of steel products.

Under such difficult circumstances, in compliance with “OKABE-Plan-Do,” a midterm three-year management plan starting in fiscal 2007, we have focused on construction related products as the Company’s core competency, and on automobile related products as the second core business. In this way, the Company is seeking to further boost its revenue base as a metalworking manufacturer.

The following section lists measures the Company’s group took and resulting business performance, sector by sector.

[Construction related products]

In the sales of the Company’s construction related products, the sales of temporary building and formwork products decreased by 8.3% compared with the same period of the previous year, mainly due to a lingering decline in new home construction, though we tried to pass on skyrocketing material prices to our customers.

The products and materials for civil engineering registered a 13.8% increase from the same period of the previous year due to the Company’s marketing efforts focusing on artificial-slope reinforcing construction methods and other products, in spite of reduced public works.

The products and materials for building structure increased by 30.1% over the same period of the previous year, due to an expanding demand for quake-resistant products thanks to stricter screening standards for applicants seeking the building certification following the enforcement of the revised building standards law.

The sales of building materials, which were purchased from other companies for resale, decreased by 10.4% from the same period of the previous year, as a result of narrowing down of the selection of products from a more profitability-oriented perspective.

The sales amount of construction related product business was 35.436 billion yen (up by 6.0% from the same period of the previous year) due to the continued emphasis on profitability and corporate efforts to further increase profit margins. The operating profit totaled 2.926 billion yen, up by 34.7% over the same period of the previous year.

[Automotive related products]

The sales of automotive related products totaled 6.317 billion yen (increase by 25.6% as compared with the same period of the previous year), resulting in an increase in operating profit to 644 million yen, up by 21.1% as compared with the same period of the previous year. This is because Water Gremlin Co., which manufactures and sells battery terminals for automobiles in the U.S., recorded good sales, having succeeded in meeting increasing replacement demand in the North American aftermarket for batteries, which is its main market, following an unusually cold winter. In addition, the operation results of our Italian-based affiliate, Aquila Piombo S.r.l., which was acquired at the term-end of the previous consolidated fiscal year and is manufacturing and marketing similar products, have been included in our consolidated business results.

[Hotel business]

The sales amount of the Company's hotel business, which has operations mainly in Canada, for the current term was 4.663 billion yen (a 4.0% increase from the same period of the previous year) with the booming Canadian economy, due to active sales promotion efforts to achieve higher occupancy rates, including efforts towards ensuring higher customer satisfaction and enhancing food services. The operating profit was 447 million yen (a 2.2% decrease from the same period of the previous year) mainly due to an increase in leaseback rents for hotels that were sold during the previous term

[Other businesses]

The sales amount was 1.22 billion yen (up by 30.3% from the same period of the previous year), and the operating loss was 96 million yen (49 million yen in the same period of the previous year).

Accordingly the sales amount recorded for the current third quarter term was 47.637 billion yen (an 8.6% increase from the same period of the previous year). The gross profit on sales was 13.789 billion yen (a 12.4% increase from the same period of the previous year). The operating profit was 3.922 billion yen (a 26.0% increase from the same period of the previous year) and the ordinary profit was 4.056 billion yen (a 29.6% increase from the same period of the previous year). The net profit for the quarter term was 2.053 billion yen (down by 11.6% from the same period of the previous year) due to an increase in tax expenses.

(For reference) Sales by each consolidated business/product

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

Business segments		The same period of the previous year from Jan. 1, 2007 to Sept. 30, 2007		Current quarter from Jan. 1, 2008 to Sept. 30, 2008		Percentage change
		Amount	Composition ratio	Amount	Composition ratio	
Const- ruction related products	Temporary building and formwork products	7,336	16.7%	6,729	14.1%	-8.3%
	Civil engineering products	3,566	8.1	4,059	8.5	13.8
	Construction materials/equipment	11,037	25.2	14,360	30.2	30.1
	Building material	11,476	26.2	10,286	21.6	-10.4
	Minor total	33,416	76.2	35,436	74.4	6.0
Automotive related products		5,031	11.5	6,317	13.2	25.6
Hotel business		4,484	10.2	4,663	9.8	4.0
Other businesses		936	2.1	1,220	2.6	30.3
Grand total		43,868	100.0	47,637	100.0	8.6

(Note) For details of each business segment, please refer to "Information on Segments" on page 13.

2. Qualitative information on consolidated financial status

(1) Status of assets, liabilities and net assets

The Company's assets for the current quarter rose by 4.164 billion yen as compared with the previous same period to 75.185 billion yen mainly due to increases in cash and deposits.

The amount of the Company's liabilities for the current quarter was increased by 2.081 billion yen as compared with the previous same period to 40.344 billion yen due to an increase in borrowed money and an increase in trade payables.

The Company's net assets for the current quarter totaled 34.84 billion yen, up by 2.082 billion yen, and the Company's capital adequacy ratio was 45.7%, up by 0.2 percentage points, respectively, from the previous same period, mainly due to an increase in retained earnings.

(2) Status of cash flow

The cash and the cash equivalent for the current quarter on a consolidated basis rose by 3.194 billion yen to 18.723 billion yen.

The status of cash flow for the current quarter and the factors behind them are as follows:

(Cash flow from sales activities)

The cash flow from sales activities for the current quarter recorded an increase of 1.65 billion yen as compared with the previous same period to 3.95 billion yen, mainly because of an increase in the current quarter net profit before adjustment of tax etc. and a decrease in corporate tax paid.

(Cash flow from investment activities)

The cash flow from investment activities for the current quarter indicated a decrease of 1.56 billion yen as compared with the preceding same period, resulting in 36 million yen in expenditures, mainly due to an increase in expenditures resulting from acquisition of tangible fixed assets and of investment securities.

(Cash flow from financial activities)

The cash flow from financial activities for the current quarter showed a decrease in expenditures of 1.066 billion yen as compared with the preceding same period to 692 million yen expenditure mainly due to a decrease in repayment of borrowed money.

3. Qualitative information on prospects for consolidated results

Our prospects for consolidated results for the full financial year remain unchanged from those published on August 21, 2008.

4. Others

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

(2) Simplified procedures for accounting

Simplified procedures for accounting have been partly adopted in standards for recording tax expense and allowances.

(3) Changes in procedures for accounting methods compared to the last consolidated fiscal year: None

5. Quarter Consolidated Financial Statements (Summary)

(1) Quarter Consolidated Balance Sheet (Summary)

(Unit: less than thousand yen omitted)

Items	Term-end of the same period of the previous year (as of the third quarter term end of the year ending in Dec. 2007)	Term-end of current quarter (as of the third quarter term end of the year ending in Dec. 2008)	Increase or decrease		(For reference purpose) As of the term end in December 2007
	Amount	Amount	Amount	Percentage change (%)	Amount
(Assets)					
Current assets					
1. Cash and deposits	10,994,753	18,723,790	7,729,036		15,529,034
2. Acceptance receivables and account receivables	19,403,934	20,545,921	1,141,986		20,130,051
3. Inventory	6,768,651	6,933,228	164,577		7,029,010
4. Others	1,099,667	1,056,160	-43,507		978,561
Total current assets	38,267,007	47,259,100	8,992,093	23.5	43,666,658
Fixed assets					
1. Tangible fixed assets	20,752,255	17,412,615	-3,339,640		17,709,881
2. Intangible fixed assets	3,220,434	3,291,170	70,735		3,635,736
3. Investment and other assets	8,779,512	7,222,974	-1,556,537		9,347,874
Total fixed assets	32,752,202	27,926,759	-4,825,442	-14.7	30,693,492
III Deferred assets					
1. Deferred stock issue cost	2,135	-	-2,135		-
Total deferred assets	2,135	-	-2,135	-100.0	-
Grand total of assets	71,021,344	75,185,860	4,164,515	5.9	74,360,150

(Unit: less than thousand yen omitted)

Items	Term-end of the same period of the previous year (as of the third quarter term end of the year ending in Dec. 2007)	Term-end of current quarter (as of the third quarter term end of the year ending in Dec. 2008)	Increase or decrease		(For reference purpose) As of the term end in December 2007
	Amount	Amount	Amount	Percentage change (%)	Amount
(Liabilities)					
Current liabilities					
1. Notes payable and accounts payable	6,280,595	6,892,638	612,043		6,729,904
2. Accounts payable on trust	8,758,919	8,843,506	84,587		9,384,192
3. Short-term borrowings	4,887,804	7,758,338	2,870,534		3,991,374
4. Others	3,500,477	4,174,684	674,207		3,516,793
Total current liabilities	23,427,795	27,669,167	4,241,372	18.1	23,622,264
Fixed liabilities					
1. Long-term borrowings	10,040,520	7,550,853	-2,489,666		11,341,111
2. Others	4,794,953	5,124,920	329,967		5,269,131
Total fixed liabilities	14,835,473	12,675,774	-2,159,699	-14.6	16,610,243
Grand total of liabilities	38,263,268	40,344,941	2,081,672	5.4	40,232,507
(Net Assets)					
I Shareholders' equity					
1. Capital	6,871,354	6,879,994	8,640		6,875,218
2. Capital surplus	6,101,364	6,110,002	8,638		6,105,223
3. Earned surplus	17,213,772	20,043,841	2,830,069		18,760,977
4. Treasury stock	- 17,233	- 17,853	-619		- 17,723
Total shareholders' equity	30,169,256	33,015,985	2,846,728	9.4	31,723,695
II Variance of appraisal/exchange					
1. Other variance of appraisal of securities	783,730	- 103,296	-887,027		388,394
2. Foreign currency translation adjustment	1,335,486	1,433,241	97,755		1,528,797
Total variance of appraisal/exchange	2,119,216	1,329,944	-789,272	-37.2	1,917,192
III Minority equity	469,602	494,988	25,386	5.4	486,755
Grand total of net assets	32,758,076	34,840,918	2,082,842	6.4	34,127,642
Total of liabilities and net assets	71,021,344	75,185,860	4,164,515	5.9	74,360,150

(2) Quarter Consolidated Income Statement (Summary)

(Unit: less than thousand yen omitted)

Items	The same period of the previous year (Third quarter of the year ending in Dec. 2007)	Current quarter (Third quarter of the year ending in Dec. 2008)	Increase or decrease		(For reference purpose) Term ending in December 2007
	Amount	Amount	Amount	Percentage change (%)	Amount
Sales amount	43,868,855	47,637,072	3,768,217	8.6	59,831,304
Cost of sales	31,600,189	33,847,423	2,247,234	7.1	43,062,152
Gross profits on sales	12,268,665	13,789,649	1,520,983	12.4	16,769,152
Selling general and administrative expenses	9,155,069	9,867,273	712,203	7.8	12,340,964
Operating profit	3,113,596	3,922,376	808,779	26.0	4,428,188
Non-Operating revenue					
1. Interest earned and dividend received	287,312	295,336	8,023		365,365
2. Others	194,876	428,827	53,950		251,290
Total	482,189	544,163	61,974	12.9	616,656
Non-operating expenses					
1. Interest paid	425,624	390,784	-34,839		552,372
2. Others	41,007	19,182	-21,825		48,667
Total	466,632	409,967	-56,664	-12.1	601,039
Ordinary profit	3,129,153	4,056,571	927,418	29.6	4,443,804
Extraordinary profit	813,783	2,406	-811,377	-99.7	2,426,557
Extraordinary loss	202,204	186,111	-16,093	-8.0	563,493
Quarter (current) net profit before adjustment of tax etc.	3,740,732	3,872,866	132,134	3.5	6,306,868
Tax expense	1,390,053	1,776,076	386,023	27.8	2,356,024
Minority stockholders' income	28,205	43,719	15,514	55.0	48,391
Quarter (current) term net profit	2,322,473	2,053,069	-269,403	-11.6	3,902,451

(3) Quarter Consolidated Shareholders' Equity Change Statement (Summary)

The same period of the previous year (from January 1, 2007 to September 30, 2007)

(Unit: less than thousand yen omitted)

	Stockholders' equity				
	Capital	Capital surplus	Earned surplus	Treasury stock	Total stockholders' equity
I Closing balance as of Dec. 31, 2006	6,821,232	6,051,180	15,549,170	- 15,712	28,405,871
II Changes during the third quarter					
1. New issue of stock	50,122	50,114			100,236
2. Dividend from surplus			- 657,871		- 657,871
3. Net profit during the quarter			2,322,473		2,322,473
4. Acquisition of treasury stocks				- 1,572	- 1,572
5. Disposal of treasury stocks		69		50	120
6. Changes in items other than stockholders' equity during the third quarter (Net amount)					-
III Total changes during the third quarter	50,122	50,183	1,664,601	- 1,521	1,763,385
IV Closing balance as of Sept. 30, 2007	6,871,354	6,101,364	17,213,772	- 17,233	30,169,256

	Variance of appraisal/exchange			Minority stockholders' equity	Total net assets
	Other variance of appraisal of securities	Foreign currency translation adjustment	Total variance of appraisal/exchange		
I Closing balance as of Dec. 31, 2006	663,858	921,907	1,585,765	467,829	30,459,466
II Changes during the third quarter					
1. New issue of stock			-		100,236
2. Dividend from surplus			-		- 657,871
3. Net profit during the quarter			-		2,322,473
4. Acquisition of treasury stocks			-		- 1,572
5. Disposal of treasury stocks			-		120
6. Changes in items other than stockholders' equity during the third quarter (Net amount)	119,871	413,579	533,451	1,773	535,224
III Total changes during the third quarter	119,871	413,579	533,451	1,773	2,298,609
IV Closing balance as of Sept. 30, 2007	783,730	1,335,486	2,119,216	469,602	32,758,076

Period of the current quarter consolidated financial term (from January 1, 2008 to September 30, 2008)

(Unit: less than thousand yen omitted)

	Stockholders' equity				
	Capital	Capital surplus	Earned surplus	Treasury stock	Total stockholders' equity
I Closing balance as of Dec. 31, 2007	6,875,218	6,105,223	18,760,977	- 17,723	31,723,695
II Changes during the third quarter					
1. New issue of stock	4,776	4,776			9,552
2. Dividend from surplus			- 770,206		- 770,206
3. Net profit during the quarter			2,053,069		2,053,069
4. Acquisition of treasury stocks				- 134	- 134
5. Disposal of treasury stocks		3		5	8
6. Changes in items other than stockholders' equity during the third quarter (Net amount)					-
III Total changes during the third quarter	4,776	4,779	1,282,863	- 129	1,292,290
IV Closing balance as of Sept. 30, 2008	6,879,994	6,110,002	20,043,841	- 17,853	33,015,985

	Variance of appraisal/exchange			Minority stockholders' equity	Total net assets
	Other variance of appraisal of securities	Foreign currency translation adjustment	Total variance of appraisal/exchange		
I Closing balance as of Dec. 31, 2007	388,394	1,528,797	1,917,192	486,755	34,127,642
II Changes during the third quarter					
1. New issue of stock			-		9,552
2. Dividend from surplus			-		- 770,206
3. Net profit during the quarter			-		2,053,069
4. Acquisition of treasury stocks			-		- 134
5. Disposal of treasury stocks			-		8
6. Changes in items other than stockholders' equity during the third quarter (Net amount)	- 491,690	- 95,556	- 587,247	8,233	- 579,014
III Total changes during the third quarter	- 491,690	- 95,556	- 587,247	8,233	713,275
IV Closing balance as of Sept. 30, 2008	- 103,296	1,433,241	1,329,944	494,988	34,840,918

(For reference purpose)

Period of the previous consolidated financial year (from January 1, 2007 to December 31, 2007)

(Unit: less than thousand yen omitted)

	Stockholders' equity				
	Capital	Capital surplus	Earned surplus	Treasury stock	Total stockholders' equity
I Closing balance as of Dec. 31, 2006	6,821,232	6,051,180	15,549,170	- 15,712	28,405,871
II Changes in the consolidated fiscal year					
1. New issue of stock	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. Acquisition of treasury stocks				- 2,070	- 2,070
5. Disposal of treasury stocks		78		58	137
6. Increase of consolidated subsidiaries			- 32,772		- 32,772
7. Changes in items other than stockholders' equity during the consolidated fiscal year (Net amount)					-
III Total changes in the consolidated fiscal year	53,986	54,042	3,211,807	- 2,011	3,317,824
IV Closing balance as of December 31, 2007	6,875,218	6,105,223	18,760,977	- 17,723	31,723,695

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

(4) Quarter Consolidated Cash Flow Statement (Summary)

(Unit: less than thousand yen omitted)

Items	The same period of the previous year (the third quarter term of the year ending in Dec. 2007)	Current quarter (the third quarter of the year ending in Dec. 2008)	(For reference purpose) Term ending in December 2007
Classification	Amount	Amount	Amount
Cash flow from sales activities			
1. Quarter (current term) net profit before adjustment for tax etc.	3,740,732	3,872,866	6,306,868
2. Depreciation expenses	1,121,165	1,228,232	1,569,216
3. Increase in reserve for bonus payment	320,301	475,260	1,863
4. Decrease in reserve for retirement allowance	- 167,163	- 101,070	- 243,698
5. Gain on disposal of invested securities	- 39,777	-	- 42,109
6. Increase(-) or decrease in trade receivable	1,227,556	- 477,932	982,854
7. Increase or decrease (-) in procurement payables	- 487,392	- 538,561	314,623
8. Increase in asset in inventory	- 742,334	- 113,379	- 719,681
9. Others	- 843,327	688,772	- 1,713,690
Sub-total	4,129,760	5,034,188	6,456,244
10. Corporate tax paid etc.	- 1,784,645	- 1,084,066	- 1,979,596
Cash flow from sales activities	2,345,115	3,950,122	4,476,648
Cash flow from investment activities			
1. Expenditure for fixed deposits	- 221,050	-	- 221,050
2. Income from refunding of fixed deposits	1,010,792	-	1,010,792
3. Expenditure from acquisition of tangible fixed assets	- 1,182,532	- 2,552,638	- 1,497,554
4. Income from disposal of tangible fixed assets	1,337,311	814,891	6,923,226
5. Expenditure for acquisition of intangible fixed assets	- 276,370	- 47,421	- 707,880
6. Expenditure for acquisition of investment securities	- 1,224,463	- 4,061,951	- 2,522,504
7. Income from disposal of investment securities	1,010,978	3,300,000	1,022,422
8. Income from collection of loans	33,559	2,424,828	67,744
9. Received interest and received dividend	953,547	306,803	1,036,627
10. Others	82,258	- 220,748	- 1,071,910
Cash flow from investment activities	1,524,030	- 36,236	4,039,912
Cash flow from financial activities			
1. Income from short-term loan	24,955,428	13,053,328	29,143,058
2. Expenditure for repayment of short-term loan	- 25,311,182	- 12,666,288	- 29,481,036
3. Income by long-term loan	3,200,000	400,000	4,500,000
4. Expenditure for repayment of long-term loan	- 3,854,676	- 609,470	- 4,920,892
5. Income from issuing stocks	100,236	9,552	107,950
6. Dividends paid	- 383,385	- 445,170	- 685,809
7. Interest paid	- 464,364	- 432,261	- 569,098
8. Others	- 1,506	- 2,227	- 1,988
Cash flow from financial activities	- 1,759,450	- 692,537	- 1,907,815
Exchange difference of cash and the equivalent	60,124	- 54,365	565
Increase in cash and the equivalent	2,169,819	3,166,983	6,609,310
Cash and the equivalent at the beginning of the year	8,824,934	15,529,034	8,824,934
Increase of cash and the equivalent due to mergers	-	27,773	-
Cash and the equivalent from new consolidation	-	-	94,789
Quarter term-end (End) balance of cash and the equivalent	10,994,753	18,723,790	15,529,034

(5) Information on Segments

1. Information on Segments by Type of Business

Current quarter consolidated financial term (From January 1, 2008 to September 30, 2008)

(Unit: less than thousand yen omitted)

	Construction related products	Automotive related products	Hotel business	Other businesses	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss							
Sales amount							
(1) Sales for outside clients	35,436,011	6,317,464	4,663,295	1,220,301	47,637,072	-	47,637,072
(2) Inside sales and transfer amounts among segments	-	-	-	38,720	38,720	(38,720)	-
Total	35,436,011	6,317,464	4,663,295	1,259,022	47,675,792	(38,720)	47,637,072
Operating expenses	32,509,249	5,673,100	4,215,864	1,355,201	43,753,416	(38,720)	43,714,696
Operating profit or loss (-)	2,926,761	644,363	447,430	- 96,179	3,922,376	(-)	3,922,376

Main contents of each business unit

Construction related products	Manufacturing/sales of temporary buildings and formwork products, civil engineering products, construction equipment/materials, and building materials
Automotive related products	Manufacturing/sales of automotive related products
Hotel business	Hotel management business
Other businesses	Other sections include real estate business, agent of damage insurance, selling of OA equipment, manufacturing and sales of ocean environment improvement materials, manufacturing and marketing of fishing sinkers in the United States, and operation of golf courses in China

Previous quarter consolidated financial term (From January 1, 2007 to September 30, 2007)

(Unit: less than thousand yen omitted)

	Construction related products	Automotive related products	Hotel business	Other businesses	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss							
Sales amount							
(1) Sales for outside clients	33,416,516	5,031,530	4,484,277	936,531	43,868,855	-	43,868,855
(2) Inside sales and transfer amounts among segments	-	1,125	-	42,021	43,147	(43,147)	-
Total	33,416,516	5,032,655	4,484,277	978,553	43,912,002	(43,147)	43,868,855
Operating expenses	31,243,563	4,500,583	4,026,701	1,027,557	40,798,405	(43,147)	40,755,258
Operating profit or loss (-)	2,172,952	532,072	457,576	- 49,004	3,113,596	(-)	3,113,596

Previous consolidated financial year (From January 1, 2007 to December 31, 2007) (For reference purpose)

(Unit: less than thousand yen omitted)

	Construction related products	Automotive related products	Hotel business	Other businesses	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss							
Sales amount							
(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 or loss (-)	2,738,804	765,598	995,225	- 71,439	4,428,188	(-)	4,428,188

Main contents of each business unit

Construction related products	Manufacturing/sales of temporary buildings and formwork products, civil engineering products, construction equipment/materials, and building materials
Automotive related products	Manufacturing/sales of automotive related products
Hotel business	Hotel management business
Other businesses	Other sections include real estate business, 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

2. Information on Segment according to location

Current quarter consolidated financial term (From January 1, 2008 to September 30, 2008)

(Unit: less than thousand yen omitted)

	Japan	North America	Other	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss						
Sales amount						
(1) Sales for outside clients	35,496,577	10,882,520	1,257,974	47,637,072	-	47,637,072
(2) Inside sales and transfer amounts among segments	85,567	37,143	-	122,711	(122,711)	-
Total	35,582,145	10,919,664	1,257,974	47,759,783	(122,711)	47,637,072
Operating expenses	32,788,132	9,656,792	1,392,483	43,837,407	(122,711)	43,714,696
Operating profit or loss(-)	2,794,012	1,262,872	- 134,508	3,922,376	(-)	3,922,376

Main countries or territories belonging to each section

North America: The United States of America, Canada

Other: Italy, China

Previous quarter consolidated financial term (From January 1, 2007 to September 30, 2007)

(Unit: less than thousand yen omitted)

	Japan	North America	Other	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss						
Sales amount						
(1) Sales for outside clients	33,425,710	10,275,266	167,878	43,868,855	-	43,868,855
(2) Inside sales and transfer amounts among segments	80,826	26,135	-	106,962	(106,962)	-
Total	33,506,537	10,301,402	167,878	43,975,817	(106,962)	43,868,855
Operating expenses	31,388,610	9,172,949	300,661	40,862,221	(106,962)	40,755,258
Operating profit or loss(-)	2,117,926	1,128,452	- 132,783	3,113,596	(-)	3,113,596

Previous consolidated financial year (From January 1, 2007 to December 31, 2007) (For reference purpose)

(Unit: less than thousand yen omitted)

	Japan	North America	Other	Total	Elimination or all companies	Consolidated
Sales amount and operating profit and loss						
Sales amount						
(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 or loss(-)	2,666,328	1,947,068	- 185,208	4,428,188	(-)	4,428,188

Main countries or territories belonging to each section

North America: The United States of America, Canada

Other: China