

Company information

(as of September 30, 2007)

Name of company	Funai Zaisan Consultants Co., Ltd.
Head office	18F, Shinjuku NS Bldg. 2-4-1 Nishishinjuku, Shinjuku-ku, Tokyo 163-0818
Incorporated	September 17, 1991
Capital stock	805.81 million yen
Business line	Individual asset consulting, institutional asset consulting, and asset management
Number of employees	122
Business network 52 locations Throughout Japan	Sapporo, Aomori, Sendai, Yonezawa, Koriyama, Mito, Tsukuba, Tochigi, Gunma, Saitama, Kumagaya, Chiba, Johoku, Ginza, Jonan, Kawasaki, Yokohama, Odawara, Niigata, Kanazawa, Fukui, Matsumoto, Takayama, Shizuoka, Nagoya, Mie, Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama, Tottori, Shimane, Hiroshima, Tokushima, Takamatsu, Matsuyama, Kochi, Fukuoka, Kitakyushu, Nagasaki, Sasebo, Kumamoto, Miyazaki, Kagoshima, Okinawa
Consolidated subsidiaries	9 companies including Funai Estate, Nippon Real Estate Rating Service Co., Ltd., and the Centennial Fund Investment Limited Partnership
Affiliated under equity method	4 companies including Nippon Investors Securities Co., Ltd., Ukai Co., Ltd.

Notes for shareholders

Fiscal year	January 1 to December 31
General meeting of shareholders	Each March
Administrator of shareholders' register	The Chuo Mitsui trust and Banking Company, Limited 3-33-1 Shiba, Minato-ku, Tokyo
Office	The Chuo Mitsui Trust and Banking Company, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063 Stock Transfer agency department Phone (toll-free:0120-78-2031)
Agency	The Chuo Mitsui Trust and Banking Company, Limited Branches throughout Japan Japan Securities Agents, Ltd. Head office and branches
Public announcements	Please refer to the Funai Zaisan website

For information on balance sheet and income statements, please see <http://www.funai-zc.co.jp/ir/houtei.html>

 We will remain your best partner over 100 years
Funai Zaisan Consultants Co., Ltd.

Executives

(as of September 30, 2007)

President & CEO	Yoshihito Hirabayashi
Deputy President	Hideo Murakami
Managing Director	Hisao Nakatsuka
Director, 4th Division Manager	Seiki Noda
Director, 2nd Division Manager	Takahiko Makino
Director, 1st Division Manager	Masayuki Yagi
Director, 5th Division Manager	Yasuhiko Sato
Director, 6th Division Manager	Takeshi Matsuura
Director in charge, 3rd Division Manager	Tetsuo Akiyama
Outside Director	Haruo Shimada
Outside Director	Kiyoshi Ohno
Outside Auditor (full-time)	Takao Kitamura
Auditor	Takehiko Yamamura
Outside Auditor	Hiroshi Yamagishi
Outside Auditor	Toshio Honda

About our website

Our website introduces Funai Zaisan's business activities and trends, including corporate and financial data, for all shareholders and investors.

Please visit our site for further details.



IR information

<http://www.funai-zc.co.jp/ir/eng/index.html>

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Newsletter

for shareholders Vol. 8

Third quarter (17th) business summary
January 1 to September 30, 2007

Funai Zaisan Consultants

Consulting for Individuals
Consulting for Companies
Land and Real Estate

 We will remain your best partner over 100 years
Funai Zaisan Consultants Co., Ltd.

We will remain your best partner over 100 years for comprehensive individual consulting

Message from the President

Here is the third quarter report of our business results for the financial year ending December 2007 (our 17th financial term).

Since incorporation, we have continued to maintain a position for ourselves as one of the leading comprehensive asset consulting firms in Japan. We are a Japanese-style private banking enterprise and operate under the slogan: We will remain your best partner over 100 years.

Consistently being one of the leading comprehensive asset consulting firms for high net-worth individuals in Japan since incorporation, we have gathered the overwhelming trust of many wealthy clients and received high evaluations regarding our services. As the Japanese version of a de facto private bank with the slogan "We will remain your best partner over 100 years," we emphasize "risk diversification" and "higher income" through a balanced holding of assets for the nation's wealthy individuals, who are apt to overemphasize real estate in their portfolios.

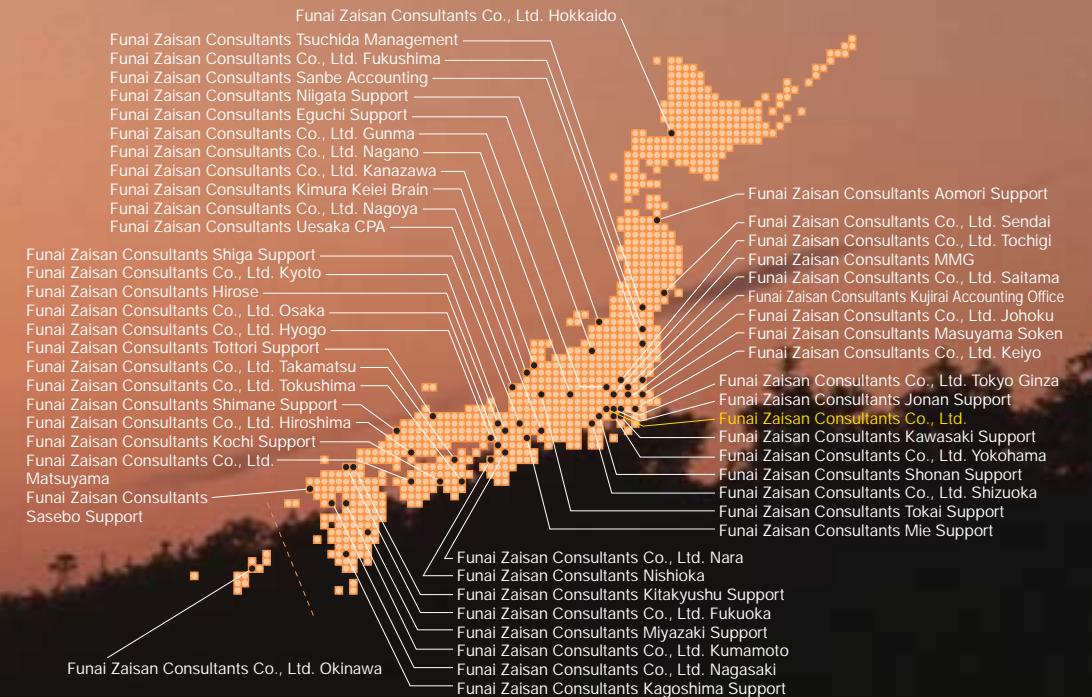
Japan is now experiencing an unprecedented scale of disparities. The rise of foreign capital and fund money has been remarkable in the commercial areas of city centers where land prices have soared. The value of such real estate has shown signs of improvement, reminding one of the bubble years. Depending on the region, there are also certain locations where asset values have declined by double digits compared to a year ago. We are truly in an age of polarized land prices. On the other hand, there are people who argue that this is the advent of another "real estate bubble," comprising a sharp rise in real estate investment trusts and an increase in vacancy rates in urban properties. Moreover, there is a continuing momentum reducing the country's population, and with this issue approaching the advent of a super-aging society, discerning the future has become quite difficult.

Nevertheless, the fact is that unless we adapt to these sorts of changes in the times, we will be unable to protect our assets. Our firm gives serious consideration to the question of how to hold onto assets and provides our clients with beneficial information through books, seminars, advertising and so on. Furthermore, we are highlighting our "100 bases concept" in which we have committed to consolidating a network of accounting firms throughout the nation. Based on the substantial trust we have built up and the wealth of experience accrued from consulting cases, we are striving to contribute to and develop local communities through a company-wide effort fostering this network.

It has always been our intent to create a "socially-respectable company" and we have continually worked to achieve stable growth as a firm "pursuing happiness for our clients, shareholders and employees." We are very grateful to you the shareholder for incorporating our stock as part of your valuable managed assets, particularly, in this day and age. At the same time, all of our employees take the importance of such responsibility seriously and intend to devote themselves to fulfilling that call. We hope that you will continue to extend your thoughtful consideration.



President & CEO
Yoshihito Hirabayashi



Building 100 Bases Nationwide by 2010

52 bases established as of September 2007

Contents

Message from the President	1
Third Quarter Business Results for the Year Ending December 2007	3
Close up	4

Third Quarter Business Results for the Year Ending December 2007

Overview of Results

During the third quarter, the nation's economy continued its overall gradual recovery while maintaining the upward momentum of strong corporate earnings and capital investment together with the expectation for improvement in consumer spending related items, despite there being areas of concern about the future of the economy including the persistent high price levels for crude oil, substantial increases in various raw material costs, and the impact of the sub-prime loan problem, which originated in the United States. In the real estate market, although there are concerns about future adjustments, the market continues to expand with the strong demand for office space, real estate investment trusts (J-REIT) and privately placed real estate funds spurring the flow of investment funds. In this kind of environment, our firm has been concentrating on cultivating new clients by actively developing our seminars and publishing books related to asset consulting. Additionally, because real estate transaction income has been strong due to sales of Real Estate Joint Ownership Program and the selling off of large-scale real estate properties mainly in urban centers, we were able to significantly improve performance by ensuring gross profit from

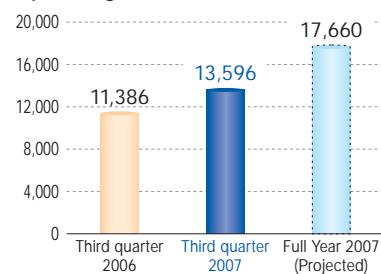
sales that greatly exceeded the initial profit forecasts. As a result, the third quarter business results produced operating income of 13,596 million yen (representing year-on-year growth of 19.4%), operating profit of 2,790 million yen (growth of 57.9%), ordinary income of 2,396 million yen (growth of 52.6%), and net income of the current period of 1,515 million yen (growth of 65.5%).

Operating income by category (unit: million yen)

	Third quarter (16th) ending December 2006		Third quarter (17th) ending December 2007		Increase (%)
	Amount	Ratio (%)	Amount	Ratio (%)	
Income from asset consulting	2,361	20.7	2,023	14.9	-14.3
Income from real estate deals	7,992	70.2	10,436	76.8	30.6
Income from sublease	851	7.5	831	6.1	-2.4
Other income	181	1.6	305	2.2	67.9
Total	11,386	100.0	13,596	100.0	19.4

Highlights of consolidated business results (unit: million yen)

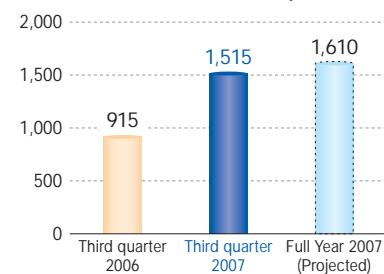
Operating income



Ordinary income



Net income of the current period



Projection of Full-Year Results

A decision on the plan for sales of the "Funai Real Estate Joint Ownership Program" (ADVANTAGE CLUB® Shinbashi) has been reached. Also, as a result of a review conducted in regard to the timing of planned real estate sales, real estate transaction revenue is expected to considerably exceed forecast figures.

Projected full-year consolidated results for the year ending December 2007 are as follows: operating income of 17,660 million yen,

representing year-on-year growth of 28.4%, operating profit of 2,940 million yen, a growth of 51.9%, ordinary income of 2,470 million yen, for growth of 51.6%, net income of the current period of 1,610 million yen, for growth of 78.3%, and net income per share of 15,359 yen.

The projected figures appearing above reflect analysis based on information available at the time of preparation, and are subject to various uncertainties. Actual realized results may vary significantly from the above projections due to changes in business conditions or other factors.

Close up

Funai Zaisan's Real Estate Joint Ownership Program, ADVANTAGE CLUB®

The system allows clients to jointly own real estate that has been carefully selected by our firm and to share in the revenue. We offer a reliable method for effective land utilization.

Our firm engages in consulting services to provide income that is 10% of taxable assets, laying a foundation for inheritance solutions by high net-worth individuals. To assist in achieving that goal today in an environment of polarized land prices, we recommend assets be reconfigured into urban income properties (buildings for lease and rental condominiums). The reason is that even if apartments or condominiums are built in a suburban area and an attempt is made to effectively utilize them, the risk of vacancy is greater than in an urban area and there is a higher chance than in the city center that land prices will fall (collapsing assets). However, for budgets of under ¥300 million, new and quality properties with high grade buildings at premium locations are currently quite difficult to find.

So, based on the Real Estate Specified Joint Enterprise Law, we constructed the "Funai Real Estate Joint Ownership Program, ADVANTAGE CLUB®," a system in which funds are pooled and superior properties are jointly owned. Our firm sits as the chair and conducts the operations of the voluntary partnership, which includes forming the voluntary partnership, recruiting investors, and acquiring properties for investment. Thanks to your participation, we have enjoyed a favorable reputation and will continue to work in a manner that carefully selects quality proposals.

NEWS

"ADVANTAGE CLUB® Shinbashi" Sales successfully completed



ADVANTAGE CLUB® Shinbashi

On November 2007, the organization of "ADVANTAGE CLUB® Shinbashi," the 20th ADVANTAGE CLUB® that our firm has offered and is the largest proposal so far entailing the formation of a voluntary partnership by our "Funai Real Estate Joint Ownership Program, ADVANTAGE CLUB®," was successfully completed. We received numerous applications for the 285 units available for this subscription, and the partnership formation was completed as it enjoyed a favorable assessment.

Capital stock ¥2.85 billion
Actual yield 4.02%
Nominal yield 5.78%

The yield shown refers to the yield at the time of the voluntary association's organization. There are no guarantees of future returns.

Process through purchase of the property

Property information
3,000/year

Principally properties not on the market, such as those involved with nonperforming loans at financial institutions (weekly meetings concerning properties are held)

Properties surveyed
600/year

Properties approved
47/year

Properties purchased
11/year

Dividend target
Actual yield 5%
Nominal yield 6%

Total assets in trust
¥18.53 billion
(As of November 30, 2007)