

# Summary of Interim Business Results for the Fiscal Year Ending December 2007

Date: August 6, 2007

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Planned date of release of half-year data report: September 25, 2007

Planned start date for dividend payments: September 14, 2007

(figures rounded down to nearest ¥ million)

## 1. Consolidated Results for Interim Ended June 2007 (January 1 to June 30, 2007)

(1) Consolidated operating results (percentage figures show year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
June 2007 interim	8,162	23.8	2,409	89.8	2,138	81.7	1,302	87.6
June 2006 interim	6,593	17.5	1,269	62.6	1,176	68.4	694	70.4
FY ended Dec. 2006	13,756	-	1,935	-	1,628	-	903	-

	Net income per share		Diluted net income per share	
	¥	¥	¥	¥
June 2007 interim	24,843	54	22,763	58
June 2006 interim	26,486	20	25,243	58
FY ended Dec. 2006	17,229	43	16,296	33

Note: Earnings/loss on investments in equity-method affiliates

June 2007 interim: ¥154 million loss

June 2006 interim: ¥11 million gain

FY ended Dec. 2006: ¥87 million loss

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share	
	¥ million	¥ million	%	¥	¥
June 2007 interim	25,971	6,096	23.3	115,223	12
June 2006 interim	19,268	4,382	22.5	165,215	45
FY ended Dec. 2006	17,684	4,829	27.0	91,096	96

Reference: Shareholders' equity

June 2007 interim: ¥6,039 million

June 2006 interim: ¥4,329 million

FY ended Dec. 2006: ¥4,744 million

(3) Results of Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financial activities	Balance of cash and cash equivalents at the end of the period
	¥ million	¥ million	¥ million	¥ million
June 2007 interim	- 2,954	- 113	3,140	4,536
June 2006 interim	1,284	- 3,739	3,743	5,246
FY ended Dec. 2006	2,918	- 4,296	1,884	4,463

## 2. Dividend Results

Date of issue	Dividend per Share									
	End of Q1		End of Interim		End of Q3		End of FY 2007		Annual	
	¥	¥	¥	¥	¥	¥	¥	¥	¥	
FY ended Dec. 2006	-		1,250	00	-		1,500	00	2,750	00
FY ending Dec. 2007	-		1,500	00	-		-			
FY ending Dec. 2007 (projected)	-		-		-		1,500	00	3,000	00

## 3. Forecast of Consolidated Financial Performance for FY Ending December 2007 (January 1 to December 31, 2007)

(percentage figures show year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥	¥
Full year	15,250	10.9	2,750	42.1	2,300	41.2	1,450	60.6	27,665	42

Funai Zaisan Consultants Company, Limited (8929 Mothers)

Interim consolidated financial statements

## 4. Other

(1) Important changes to subsidiaries during the period (changes to specified subsidiaries accompanying changes to the scope of consolidation): None

(2) Changes in accounting disposal principles, procedures, and publication methods relating to the creation of consolidated interim financial statements (recorded as changes to significant items forming the basis for the creation of the interim consolidated financial statement).

i. Changes in accounting principles applied: Yes

ii. Other changes: None

Note: For details, see page 24 of “Changes to Important Items Forming the Basis for the Creation of the Interim Consolidated Financial Statement.”

(3) Ordinary shares issued

i. Ordinary shares issued at end of period (including treasury stock)

June 2007 interim: 52,412

June 2006 interim: 26,206

FY ended December 2006: 52,412

ii. Treasury stock issued at end of period

June 2007 interim: None

June 2006 interim: None

FY ended June 2006: None

Note: See page 35 of “Per-share Data” for details of share numbers forming the basis for calculating per-share net income (consolidated) for the current interim.

Reference: Summary of Non-consolidated Results

**1. Non-consolidated results for the Interim Ended June 2007 (January 1 to June 30, 2007)**

(1) Non-consolidated operating results (percentage figures show year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
June 2007 interim	6,960	61.1	2,109	125.7	2,007	141.3	1,175	144.5
June 2006 interim	4,319	2.6	934	78.6	831	77.6	480	78.6
FY ended Dec. 2006	11,142	-	1,663	-	1,447	-	741	-

	Interim net income per share	
	¥	¥
June 2007 interim	22,437	03
June 2006 interim	18,351	29
FY ended Dec. 2006	14,145	25

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share	
	¥ million	¥ million	%	¥	¥
June 2007 interim	20,966	5,552	26.5	105,936	51
June 2006 interim	15,026	3,907	26.0	149,108	66
FY ended December 2006	13,689	4,413	32.2	84,216	86

Reference: Shareholders' equity:

June 2007 interim: ¥5,552 million

June 2006 interim: ¥3,907 million

FY ended Dec. 2006: ¥4,413 million

**2. Non-consolidated Results Forecast for FY 2007 (January 1 to December 31, 2007)**

(percentage figures show year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥	¥
Full year	13,750	23.4	2,500	50.3	2,300	58.9	1,300	75.3	24,803	48

**\*Appropriate use of these results forecasts and other items**

Full-year forecasts released on February 14, 2007, have been revised in “Revisions to Business Forecasts for the Fiscal Year Ending December 31, 2007,” dated today.

The above forecasts are based on judgments made in accordance with information available at the time these materials were prepared, and contain numerous uncertainties. Changing conditions and other factors may cause actual results to differ from the results in these forecasts.

Please see page 4 of the attached documents for details of the above forecasts.

**4. Interim consolidated financial statements**  
**Funai Zaisan Consultants Company, Limited (8929 Mothers)**

**(1) Interim consolidated balance sheet**

Category	Note Number	Previous interim ended June 30, 2006		Current interim ended June 30, 2007		Previous consolidated financial year Summary of consolidated balance sheet (December 31, 2006)		
		Amount (thousand)	Percentage share	Amount (thousand)	Percentage share	Amount (thousand)	Percentage share	
<b>Assets</b>								
<b>I Current assets</b>								
1. Cash and deposits			5,569,636		5,338,126		5,213,882	
2. Accounts receivable			563,898		542,677		408,000	
3. Real estate for sale	*2		7,656,905		10,824,075		5,944,546	
4. Bonds bought			-		3,815,459		544,553	
5. Other current assets			521,561		394,060		417,323	
6. Allowance for doubtful accounts			- 197		- 4,408		- 229	
<b>Total current assets</b>			<b>14,311,805</b>	<b>74.3</b>	<b>20,909,990</b>	<b>80.5</b>	<b>12,528,076</b>	<b>70.8</b>
<b>II Fixed assets</b>								
<b>1. Tangible fixed assets</b>								
(1) Property, plant and equipment	*1	103,589		114,473		112,353		
(2) Others	*1	110,161	213,751	112,808	227,281	112,352	224,705	
<b>2. Intangible fixed assets</b>			<b>41,935</b>		<b>37,761</b>		<b>44,772</b>	
<b>3. Investments and other assets</b>								
(1) Investment securities		505,557		1,013,595		1,053,265		
(2) Stocks of affiliated companies		3,857,051		3,624,265		3,675,686		
(3) Other assets		338,155	4,700,764	158,465	4,796,326	157,957	4,886,909	
<b>Total fixed assets</b>			<b>4,956,451</b>	<b>25.7</b>	<b>5,061,369</b>	<b>19.5</b>	<b>5,156,387</b>	<b>29.2</b>
<b>Total assets</b>			<b>19,268,256</b>	<b>100.0</b>	<b>25,971,359</b>	<b>100.0</b>	<b>17,684,464</b>	<b>100.0</b>

**Funai Zaisan Consultants Company, Limited (8929 Mothers)**  
**Interim Business Results for the Fiscal Year Ending December 2007**

		Previous consolidated interim ended June 30, 2006		Current consolidated interim ended June 30, 2007		Previous consolidated financial year Summary of consolidated balance sheet (December 31, 2006)	
Category	Note Number	Amount (thousand)	Percentage share	Amount (thousand)	Percentage share	Amount (thousand)	Percentage share
<b>Liabilities</b>							
<b>Current liabilities</b>							
1. Accounts payable		93,084		93,007		88,867	
2. Short-term debt	*2	3,458,000		2,408,000		2,390,000	
3. Long-term debt repayable within one year	*2	1,168,000		168,000		868,000	
4. Bonds redeemable within one year		1,040,000		1,140,000		940,000	
5. Accrued corporate tax, etc.		530,327		1,024,100		522,721	
6. Other current liabilities		796,516		747,599		710,820	
<b>Total current liabilities</b>		<b>7,085,928</b>	<b>36.8</b>	<b>5,580,708</b>	<b>21.5</b>	<b>5,520,409</b>	<b>31.2</b>
<b>Fixed liabilities</b>							
1. Bonds		3,615,000		3,475,000		3,145,000	
2. Long-term debt	*2	178,000		3,510,000		94,000	
3. Anonymous association investment deposits payable		3,028,936		6,294,378		3,098,434	
4. Allowance for employee retirement benefits		27,568		28,713		25,263	
5. Addition to reserve for compensation to retired directors		128,684		152,978		133,583	
6. Deposits payable		819,754		784,154		772,447	
7. Other fixed liabilities		1,858		48,584		65,666	
<b>Total fixed liabilities</b>		<b>7,799,802</b>	<b>40.5</b>	<b>14,293,808</b>	<b>55.0</b>	<b>7,334,394</b>	<b>41.5</b>

Total liabilities	14,885,731	77.3	19,874,516	76.5	12,854,803	72.7
Net assets						
Shareholders' equity						
1.Common stock	805,817	4.2	805,817	3.1	805,817	4.6
2.Capital surplus	875,266	4.6	875,266	3.3	875,266	4.9
3.Retained earnings	2,703,099	14.0	4,092,796	15.8	2,869,314	16.2
Total shareholders' equity	4,384,183	22.8	5,773,880	22.2	4,550,398	25.7
Evaluation and conversion difference						
1. Unrealized gains on securities	- 54,547	- 0.3	265,194	1.1	224,175	1.3
Total evaluation and conversion difference	- 54,547	- 0.3	265,194	1.1	224,175	1.3
Minority interests	52,889	0.2	57,768	0.2	55,087	0.3
Total net assets	4,382,525	22.7	6,096,842	23.5	4,829,661	27.3
Total liabilities and net assets	19,268,256	100.0	25,971,359	100.0	17,684,464	100.0

**Funai Zaisan Consultants Company, Limited (8929 Mothers)**  
**Interim Business Results for the Fiscal Year Ending December 2007**  
**(2) Interim consolidated income statements**

		Previous consolidated interim January 1 to June 30, 2006			Current consolidated interim January 1 to June 30, 2007			Previous consolidated financial year Summary of consolidated income statements January 1 to December 31, 2006		
Category	Note Num ber	Amount(thousand)		Perce ntage (%)	Amount (thousand)		Perce ntage (%)	Amount (thousand)		Perce ntage (%)
Operating income										
1. Operating revenue		2,402,655			2,082,434			4,247,696		
2. Sales of real estate		4,190,382	6,593,038	100.0	6,079,696	8,162,130	100.0	9,508,682	13,756,379	100.0
Operating cost										
1. Operating cost		1,030,580			848,494			1,913,076		
2. Cost of sales of real estate		3,455,183	4,485,763	68.0	3,835,808	4,684,302	57.4	7,977,325	9,890,402	71.9
Gross operating profit			2,107,274	32.0		3,477,828	42.6		3,865,977	28.1
SG&A	*1		837,437	12.7		1,067,872	13.1		1,930,621	14.0
Operating profit			1,269,837	19.3		2,409,955	29.5		1,935,355	14.1
Non-operating income										
1. Interest received		120			3,009			917		
2. Dividends received		1,349			2,178			4,981		
3. Investment profit on equity method		11,468			-			-		
4. Other non-operating income		3,004	15,942	0.2	3,543	8,730	0.1	3,346	9,245	0.0
Non-operating expenses										
1. Interest paid		63,481			69,062			116,380		
2. Bond issue costs		33,079			26,529			33,079		
3. Investment loss on equity method		-			154,140			87,046		
4. Other non-operating expenses		12,240	108,801	1.6	29,955	279,688	3.4	79,306	315,812	2.3
Ordinary income			1,176,978	17.9		2,138,997	26.2		1,628,788	11.8

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		Previous consolidated interim January 1 to June 30, 2006		Current consolidated interim January 1 to June 30, 2007			Previous consolidated financial year Summary of consolidated income statements January 1 to December 31, 2006			
Category	Note Num ber	Amount (thousand)		Perce ntage (%)	Amount (thousand)		Perce ntage (%)	Amount (thousand)		Perce ntage (%)
Extraordinary profit										
1. Gain from reversal of allowance for doubtful debts		1,095			-			1,063		
2. Gain on sales of investment in securities		3,750			-			3,750		
3. Other extraordinary profit		-	4,845	0.1	-	-	-	448	5,261	0.0
Extraordinary loss										
1. Loss on sale of fixed assets	*2	-			438			-		
2. Loss on disposal of fixed assets		1,882			-			10,743		
3. Loss from sales of stocks of affiliated companies		14,635			-			35,021		
4. Appraisal loss on investment and securities		-			18,956			-		
5. Other extraordinary loss		-	16,517	0.3	-	19,394	0.2	118,645	164,410	1.1
Current interim net income before profit/loss distribution to anonymous association (pre-tax)			1,165,306	17.7		2,119,602	26.0		1,469,639	10.7
Loss distribution to anonymous association			- 32,422	- 0.5		- 118,160	- 1.4		- 168,126	- 1.2
Current interim net income before			1,197,728	18.2		2,237,763	27.4		1,637,766	11.9

taxes										
Current income		518,600			1,012,791			751,710		
taxes										
Deferred income		- 19,953	498,647	7.6	- 79,714	933,077	11.4	- 24,154	727,555	5.3
taxes										
Minority interests			4,984	0.1		2,586	0.0		7,182	0.0
Net income			694,097	10.5		1,302,099	16.0		903,028	6.6