

Financial and Operational Review for the First 9 Months of the Fiscal Year Ending March 31, 2008 (Consolidated)



February 8, 2008

Okamura Corporation

Listing: Tokyo Stock Exchange, Osaka Securities Exchange

Code Number: 7994 (URL <http://www.okamura.co.jp/>)

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1. Financial and Operational Review for the First 9 Months (Apr. 1, 2007 - Dec. 31, 2007) of FY March 2008 (Apr. 1, 2007 - Mar. 31, 2008)

(1) Progress in (consolidated) business results

Note: Amounts of less than one million yen have been rounded down.

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First 9 months of FY March 2008	155,425	1.5	5,333	(12.3)	5,951	(11.2)	3,189	(14.3)
First 9 months of FY March 2007	153,137	5.6	6,077	30.9	6,702	27.6	3,723	(22.9)
FY March 2007	213,813	5.7	10,912	19.8	11,539	18.2	6,132	(26.2)

	Net income per share	Diluted net income per share
	yen	yen
First 9 months of FY March 2008	28.82	—
First 9 months of FY March 2007	33.24	—
FY March 2007	54.75	—

(2) Changes in (consolidated) financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	yen
As of Dec. 31, 2007	176,606	82,028	44.4	710.80
As of Dec. 31, 2006	183,362	82,051	42.8	700.91
As of December 31, 2007	189,754	84,971	42.9	726.44

(3) Cash flow (consolidated)

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and Cash Equivalents at Term-End
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
First 9 months of FY March 2008	9,076	(3,348)	(3,510)	18,915
First 9 months of FY March 2007	11,091	(6,772)	(1,878)	24,482
FY March 2007	4,389	(6,830)	(2,915)	16,697

2. Dividend

	Interim dividend per share (in yen)	Year-end dividend per share (in yen)	Full year dividend per share (in yen)
	yen	yen	yen
FY March 2007	6.00	9.00	15.00
FY March 2008	7.50		15.00
FY March 2008 (forecast)		7.50	

3. Forecast of consolidated performance for the fiscal year ending March 2008 (from April 1, 2007 to March 31, 2008)
(Reference) The performance forecast, the figures announced on May 10, 2007 as Midterm Management Plan, were used without changes.

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net assets per share
FY March 2008	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
	223,000	4.3	13,000	19.1	13,600	17.9	7,400	20.7	66.92

4. Others

- (1) Changes in the scope of consolidation during the accounting period No
- (2) Adoption of the simplified method in the accounting methods used in the recent consolidated accounting period No
- (3) Changes in the accounting methods used in the recent consolidated accounting Method changed

Note: For details, please refer to "4. Others" in "Qualitative information, Financial statements, Etc." on page 4.

* Explanation of Appropriate Use of Performance Forecasts and Other Issues Requiring Particular Mention

(Points to Note regarding Forward-Looking Statements and Other Forecasts)

The performance forecasts and other forward-looking statements contained herein are based on the information available to the Company at the time, and contain certain assumptions that the Company considers to be reasonable. They are subject to diverse factors that may cause actual results of operations and other items to differ significantly from the statements and forecasts. For a description of the assumptions underlying the performance forecasts and points to note when using performance forecasts, please refer to "3. Qualitative information concerning the performance forecast" in "Qualitative information, Financial statements, Etc." on page 4.

[Qualitative information, Financial statements, Etc.]

1. Qualitative information concerning the progress in (consolidated) business performance

During the first 9 months under review, Japan's economy showed a continued, but apparently slowing, trend of gradual recovery. Moreover, fears of a slowdown in the U.S. economy triggered by factors such as the subprime loan problem, sharply rising prices of crude oil and materials, and exchange rate movements made the economy's future prospects increasingly uncertain.

Under such circumstances, the Company promoted development of new products and proposal-based sales, made efforts to create and explore new markets, aiming toward future growth in each aspect of our business.

In the Office Furniture business, amid an environment of continuing firm demand related to office relocations and renovations, the Company aggressively marketed proposals for enhancing office space productivity, with a view to expanding sales revenues by winning orders for total solutions. Sales of the high-grade seating lines, including *Contessa* and *Baron* continued to do well, while the Company sought to expand its sales channels in global markets also. Further, the Company decided to construct a new manufacturing building at the Oppama Plant, scheduled to be completed in April 2009. This will augment its high-grade office seating production capacity and is part of the Company's ongoing efforts to be ready to meet future demand.

As a result, net sales in this segment for the first 9 months increased to ¥95,994 million (Y-o-Y an increase of 7.0%).

In the Store Displays business, as intensifying competition caused an acceleration in corporate regrouping in the retail categories, the Company set its sights on growing sectors in search of more new customers to broaden its customer base. The Company also put greater emphasis on marketing proposals for total solutions among retailers and winning total orders to expand its sales revenue. Meanwhile, its business environment remained challenging.

As a result, net sales in this segment for the first 9 months decreased to ¥48,583 million (Y-o-Y a decrease of 4.2%).

In the Material Handling Systems and Others, the Company aggressively stepped up its efforts to market solution proposals among its focused industry segments of logistics centers, production facilities, and other facility operators. Since orders received in this business are designed mostly to supply the needs of projects, the Company had to suffer a decrease in sales revenues that particularly reflected large projects constructed during the same period of the previous fiscal year.

As a result, net sales in this segment for the first 9 months decreased to ¥10,847 million (Y-o-Y a decrease of 14.7%).

As the result of the performance of the period under review was as follows: net sales of ¥155,425 million (Y-o-Y an increase of 1.5%), though the increase of selling, general and administrative expenses affected to income. Operating income of ¥5,333 million (Y-o-Y a decrease of 12.3%), ordinary income of ¥5,951 million (Y-o-Y a decrease of 11.2%), and net income for the first 9 months of ¥3,189 million (Y-o-Y a decrease of 14.3%).

2. Qualitative information concerning the changes in (consolidated) financial position

The financial position of the current 9 months period is as follows:

Total assets amounted to ¥176,606 million, down ¥13,148 million compared with the end of the previous fiscal year. Current assets decreased by ¥9,363 million, despite an increase in cash and time deposits, as a result of a decrease in accounts receivable, whereas fixed assets decreased by ¥3,784 million owing mainly to a decrease in investment securities.

Liabilities amounted to ¥94,577 million, down ¥10,205 million over the end of the previous fiscal year, mainly because of decreases in accounts payable, income taxes payable, and deferred tax liabilities.

Net assets amounted to ¥82,028 million, down ¥2,943 million over the end of the previous fiscal year, despite an increase in retained earnings, because of net unrealized holding losses on securities. The acquisition of treasury stock also contributed to this decrease. The equity ratio increased by 1.5 percentage points to 44.4%.

A review of cash flows shows that operating activities generated a net cash increase of ¥9,076 million, with inflows including net income before income taxes for the first 9 months of ¥5,955 million, depreciation and amortization expenses of ¥4,109 million, and a decrease in accounts receivable of ¥12,198 million. Cash outflows included a decrease in accounts payable of ¥4,521 million, an increase in inventories of ¥1,455 million, a decrease in allowance for bonus payable of ¥1,391 million, and corporate tax payments of ¥5,567 million.

Net cash used in investing activities was ¥3,348 million, which was mainly comprised of payment for purchase of property, plant and equipment as well as of intangible fixed assets totaling ¥3,283 million.

Net cash used in financial activities was ¥3,510 million, which was mainly comprised of acquisition of treasury stock of ¥2,057 million and cash dividend paid by the Company of ¥1,837 million.

Consequently, consolidated cash and cash equivalents at the end of the current first 9 months increased by ¥2,218 million from the end of the previous fiscal year to ¥18,915 million.

3. Qualitative information concerning the performance forecast

As the result of the consolidated performance of the period under review comparing with same period of year before, income has decreased despite the increase in net sales. The Company will stimulate further efforts by expand sales, advance productivity and cost reduction to achieve the goal of performance forecast which has already announced.

Because of this, the consolidated performance forecasts that the Company announced on May 10, 2007 remain unchanged.

4. Others

(1) Changes in the scope of consolidation during the accounting period

Not applicable.

(2) Adoption of the simplified method in the accounting methods used in the recent consolidated accounting period

Not applicable.

(3) Changes in the accounting methods used in the recent consolidated accounting

Following the revision of the Corporate Tax Law (the Law for Partial Revision of the Income Tax Law and Others or the Law No. 6 of March 30, 2007 and the Government Ordinance for Partial Revision of the Corporate Tax Law Enforcement Regulations or the Government Ordinance No. 83 of March 30, 2007), effective from the fiscal period under review, the Company has changed its accounting methods for tangible fixed assets acquired on or after April 1, 2007 to conform to the revised Corporate Tax Law. The effect of this change was to reduce operating income, ordinary income, and net income before income taxes for the first 9 months by ¥110 million each, compared with the results using the previous method.

As for tangible fixed assets acquired on or before March 31, 2007, effective from the fiscal period under review, the Company applies a method that depreciates the remaining value of an asset evenly over a period of five years following the completion of its depreciation down to the formerly permitted value. The effect of this application was to reduce operating income, ordinary income, and net income before income taxes for the first 9 months by ¥224 million each, compared with the results using the previous method.

5. First 9 months' financial statements

(1) First 9 months' Consolidated Balance Sheet

(Millions of yen)

Term Accounts	First 9 months of FY March 2007 (As of Dec. 31, 2006)		First 9 months of FY March 2008 (As of Dec. 31, 2007)		Increase /Decrease		FY March 2007 (As of March 31, 2007)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Assets)		(%)		(%)		(%)		(%)
I. Current assets:								
1. Cash and time deposits	26,838		19,921		(6,917)		17,513	
2. Trade notes and accounts receivable	48,223		49,988		1,764		62,186	
3. Marketable securities	887		122		(765)		807	
4. Inventories	15,349		16,781		1,432		15,326	
5. Deferred income taxes	1,001		1,109		108		1,936	
6. Others	1,952		2,352		400		1,928	
7. Allowance for doubtful debt	(157)		(88)		68		(148)	
Total current assets	94,095	51.3	90,187	51.1	(3,908)	(4.2)	99,551	52.5
II. Fixed assets:								
1. Tangible fixed assets:								
(1) Buildings and structures	15,451		14,832		(618)		15,320	
(2) Machinery, equipment and vehicles	9,290		9,736		446		9,473	
(3) Land	21,744		21,744		—		21,744	
(4) Construction in progress	313		117		(195)		123	
(5) Others	3,046		2,958		(87)		3,113	
Total tangible fixed assets	49,845	27.2	49,390	28.0	(455)	(0.9)	49,775	26.2
2. Intangible fixed assets:								
Total intangible fixed assets	2,656	1.4	2,671	1.5	15	0.6	2,989	1.6
3. Investments and other assets:								
(1) Investment securities	28,421		25,731		(2,689)		29,090	
(2) Guarantee deposits	4,017		4,073		56		3,964	
(3) Deferred income taxes	2,053		2,099		45		2,074	
(4) Others	2,374		2,560		186		2,389	
(5) Allowance for doubtful accounts	(100)		(107)		(6)		(81)	
Total investment and other assets	36,765	20.1	34,357	19.4	(2,408)	(6.6)	37,438	19.7
Total fixed assets	89,267	48.7	86,419	48.9	(2,847)	(3.2)	90,203	47.5
Total assets	183,362	100.0	176,606	100.0	(6,756)	(3.7)	189,754	100.0

(Millions of yen)

Term Accounts	First 9 months of FY March 2007 (As of Dec. 31, 2006)		First 9 months of FY March 2008 (As of Dec. 31, 2007)		Increase /Decrease		FY March 2007 (As of March 31, 2007)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Liabilities)		(%)		(%)		(%)		(%)
I. Current liabilities:								
1. Trade notes and accounts payable	48,358		43,283		(5,075)		47,856	
2. Short-term bank loans	10,200		9,450		(750)		9,600	
3. Long-term debts due within one year	1,531		4,041		2,510		3,446	
4. Bonds redeemed within one year	5,000		—		(5,000)		—	
5. Income taxes payable	786		17		(769)		3,767	
6. Consumption taxes payable	336		441		105		454	
7. Allowance for bonus payable	1,555		1,584		28		2,976	
8. Others	3,416		4,085		669		3,494	
Total current liabilities	71,184	38.8	62,903	35.6	(8,281)	(11.6)	71,595	37.7
II. Long-term liabilities:								
1. Debenture bonds	5,000		10,000		5,000		10,000	
2. Long-term loans payable	7,145		4,756		(2,388)		4,801	
3. Deferred tax liabilities	5,665		4,600		(1,064)		6,173	
4. Severance and employee retirement benefits	9,819		9,774		(44)		9,638	
5. Reserve for directors' retirement benefits	16		19		3		17	
6. Others	2,479		2,521		42		2,555	
Total long-term liabilities	30,125	16.5	31,674	18.0	1,548	5.1	33,186	17.5
Total liabilities	101,310	55.3	94,577	53.6	(6,733)	(6.6)	104,782	55.2
(Net assets)								
I. Owners' equity								
1. Capital stock	18,670	10.2	18,670	10.5	—	—	18,670	9.8
2. Capital surplus	16,759	9.1	16,759	9.5	—	—	16,759	8.8
3. Retained earnings	34,386	18.7	38,148	21.6	3,761	10.9	36,795	19.4
4. Treasury stock, at cost	(260)	(0.1)	(2,329)	(1.3)	(2,068)	—	(269)	(0.1)
Total owners' equity	69,556	37.9	71,249	40.3	1,693	2.4	71,956	37.9
II. Net unrealized gain and translation adjustments								
1. Unrealized holding gains (losses) on securities	9,035	4.9	7,116	4.0	(1,918)	(21.2)	9,467	5.0
2. Foreign currency translation adjustment	(91)	(0.0)	32	0.0	123	—	(69)	(0.0)
Total Net unrealized gain and translation adjustments	8,944	4.9	7,149	4.0	(1,795)	(20.1)	9,398	5.0
III. Minority interests	3,551	1.9	3,629	2.1	78	2.2	3,617	1.9
Total net assets	82,051	44.7	82,028	46.4	(23)	(0.0)	84,971	44.8
Total liabilities and net assets	183,362	100.0	176,606	100.0	(6,756)	(3.7)	189,754	100.0

(2) First 9 months' Consolidated Income Statement

(Millions of yen)

Term Accounts	First 9 months of FY March 2007 (From Apr. 1, 2006 to Dec. 31, 2006)		First 9 months of FY March 2008 (From Apr. 1, 2007 to Dec. 31, 2007)		Increase /Decrease		FY March 2007 (From Apr. 1, 2006 to Mar. 31, 2007)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
		(%)		(%)		(%)		(%)
I. Net sales	153,137	100.0	155,425	100.0	2,288	1.5	213,813	100.0
II. Cost of sales	106,791	69.7	107,817	69.4	1,026	1.0	147,526	69.0
Gross profit	46,345	30.3	47,607	30.6	1,262	2.7	66,287	31.0
III. Selling, general and administrative expenses	40,267	26.3	42,274	27.2	2,006	5.0	55,374	25.9
Operating income	6,077	4.0	5,333	3.4	(744)	(12.3)	10,912	5.1
IV. Other income:	1,076	0.7	1,085	0.7	8	0.8	1,268	0.6
1. Interest and dividends income	377		422		45		373	
2. Equity in earnings of affiliated companies	224		91		(132)		219	
3. Others	474		570		95		675	
V. Other expenses:	451	0.3	466	0.3	14	3.2	642	0.3
1. Interest expenses	282		325		43		390	
2. Others	169		140		(28)		251	
Ordinary income	6,702	4.4	5,951	3.8	(750)	(11.2)	11,539	5.4
VI. Extraordinary income:	39	0.0	167	0.1	127	320.1	55	0.0
1. Gain on sales of property, plant and equipment	—		18		18		—	
2. Gain on sales of investment securities	0		116		115		5	
3. Reversal of allowance for doubtful accounts	39		33		(6)		50	
VII. Extraordinary losses:	219	0.1	163	0.1	(55)	(25.4)	431	0.2
1. Loss on disposal of property, plant and equipment	176		158		(18)		299	
2. Loss on sales of investment securities	2		—		(2)		7	
3. Impairment loss	9		5		(4)		47	
4. Other losses	29		0		(29)		77	
Income before income taxes for the first 9 months (fiscal year)	6,522	4.3	5,955	3.8	(567)	(8.7)	11,163	5.2
Income taxes	2,326	1.5	1,894	1.2	(431)	(18.6)	5,236	2.4
Adjustments on income taxes	398	0.3	842	0.5	444	111.5	(347)	(0.2)
Minority interests in earnings	74	0.1	28	0.0	(46)	(61.6)	141	0.1
Net income for the first 9 months (fiscal year)	3,723	2.4	3,189	2.1	(533)	(14.3)	6,132	2.9

(3) First 9 months' Consolidated Statement of Change in Net Assets

First 9 months of FY March 2007 (From Apr. 1, 2006 to Dec. 31, 2006)

(Millions of yen)

	Owners' equity					Net unrealized gain and translation adjustments			Minority Interests	Net assets (Total)
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gains on for-sale securities	Foreign currency translation adjustments	Total		
Balance at the end of prior period (March 31, 2006)	18,670	16,759	32,135	(218)	67,346	9,953	(152)	9,801	3,492	80,641
Changes of items during the period										
Dividends			(1,457)		(1,457)					(1,457)
Directors' bonus			(14)		(14)					(14)
Net income			3,723		3,723					3,723
Acquisition of treasury stock				(42)	(42)					(42)
Changes of items other items during the period (Net)					—	(917)	61	(856)	58	(798)
Changes of items during the period (Total)	—	—	2,251	(42)	2,209	(917)	61	(856)	58	1,410
Balance at the end of first 9 months (December 31, 2006)	18,670	16,759	34,386	(260)	69,556	9,035	(91)	8,944	3,551	82,051

First 9 months of FY March 2007 (From Apr. 1, 2007 to Dec. 31, 2007)

(Millions of yen)

	Owners' equity					Net unrealized gain and translation adjustments			Minority Interests	Net assets (Total)
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gains on for-sale securities	Foreign currency translation adjustments	Total		
Balance at the end of prior period (March 31, 2007)	18,670	16,759	36,795	(269)	71,956	9,467	(69)	9,398	3,617	84,971
Changes of items during the period										
Dividends			(1,837)		(1,837)					(1,837)
Net income			3,189		3,189					3,189
Acquisition of treasury stock				(2,059)	(2,059)					(2,059)
Changes of items other items during the period (Net)					—	(2,350)	101	(2,248)	12	(2,236)
Changes of items during the period (Total)	—	—	1,352	(2,059)	(706)	(2,350)	101	(2,248)	12	(2,943)
Balance at the end of first 9 months (December 31, 2007)	18,670	16,759	38,148	(2,329)	71,249	7,116	32	7,149	3,629	82,028

(Reference) FY March 2007 (From Apr. 1, 2006 to Mar. 31, 2007)

(Millions of yen)

	Owners' equity					Net unrealized gain and translation adjustments			Minority Interests	Net assets (Total)
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gains on for-sale securities	Foreign currency translation adjustments	Total		
Balance at the end of prior period (March 31, 2006)	18,670	16,759	32,135	(218)	67,346	9,953	(152)	9,801	3,492	80,641
Changes of items during the period										
Dividends			(1,457)		(1,457)					(1,457)
Directors' bonus			(14)		(14)					(14)
Net income			6,132		6,132					6,132
Acquisition of treasury stock				(51)	(51)					(51)
Changes of items other items during the period (Net)					—	(486)	83	(403)	124	(278)
Changes of items during the year (Total)	—	—	4,660	(51)	4,609	(486)	83	(403)	124	4,330
Balance at the end of the year (Mar. 31, 2007)	18,670	16,759	36,795	(269)	71,956	9,467	(69)	9,398	3,617	84,971

(4) First 9 months' Consolidated Cash Flow Statement

(Millions of yen)

Accounts	Term	First 9 months of FY March 2007 (From Apr. 1, 2006 to Dec. 31, 2006)	First 9 months of FY March 2008 (From Apr. 1, 2007 to Dec. 31, 2007)	FY March 2007 (From Apr. 1, 2006 to Mar. 31, 2007)
I. Cash flows from operating activities				
1. Income before income taxes for the first 9 months (fiscal year)		6,522	5,955	11,163
2. Depreciation expense		3,598	4,109	5,061
3. Gain/loss on sales of property, plant and equipment		—	(18)	—
4. Loss on disposal of property, plant and equipment		171	158	293
5. Equity in earnings of affiliated companies		(224)	(91)	(219)
6. Increase/decrease in allowance for doubtful accounts		(57)	(34)	(85)
7. Allowance for bonuses payable		(1,153)	(1,391)	266
8. Increase/decrease in allowance for employee retirement benefits		498	136	317
9. Increase/decrease in allowance for directors' retirement benefits		(30)	2	7
10. Interest and dividends income		(377)	(422)	(373)
11. Interest expense		282	325	390
12. Gain/loss on sales of investment securities		2	(116)	2
13. Impairment loss		9	5	47
14. Increase/decrease in notes and accounts receivable		6,742	12,198	(7,221)
15. Increase/decrease in inventories		(416)	(1,455)	(393)
16. Increase/decrease in notes and accounts payable		(2,253)	(4,521)	(2,823)
17. Others		703	(348)	1,016
Sub-total		14,015	14,490	7,450
18. Interest and dividends received		377	462	393
19. Interest expenses paid		(249)	(309)	(394)
20. Income taxes paid		(3,051)	(5,567)	(3,060)
Net Cash provided by operating activities		11,091	9,076	4,389
II. Cash flows from investing activities				
1. Term deposits paid		(5,454)	(1,027)	(6,385)
2. Term deposits withdrawn		4,694	1,371	7,245
3. Payment for purchase of property, plant and equipment		(5,472)	(3,046)	(6,776)
4. Proceeds from sale of property, plant and equipment		10	42	11
5. Payment for purchase of intangible fixed assets		(393)	(236)	(893)
6. Payment for purchase of investment securities		(38)	(510)	(40)
7. Proceeds from sale of investment securities		4	316	13
8. Others		(122)	(257)	(4)
Net Cash used in investing activities		(6,772)	(3,348)	(6,830)
III. Cash flows from financing activities				
1. Increase/decrease in short-term bank loans		300	(150)	(300)
2. Proceeds from long-term debt		600	1,650	600
3. Repayments of long-term debt		(1,263)	(1,099)	(1,692)
4. Issuance of debenture bonds		—	—	5,000
5. Redemption of debenture bonds		—	—	(5,000)
6. Purchase of treasury stock		(40)	(2,057)	(48)
7. Cash dividends paid by the Company		(1,457)	(1,837)	(1,457)
8. Cash dividends paid to minority shareholders		(16)	(16)	(16)
Net Cash used in financing activities		(1,878)	(3,510)	(2,915)
IV. Effect on exchange rate changes on cash and cash equivalents		12	1	23
V. Increase/decrease in cash and cash equivalents		2,453	2,218	(5,331)
VI. Cash and cash equivalents at beginning of year		22,028	16,697	22,028
VII. Cash and cash equivalents at the end of first 9 months		24,482	18,915	16,697

(5) Segment information

[Segment information by business type]

First 9 Months (from April 1, 2006 to December 31, 2006) of FY March 2007 (from Apr. 1, 2006 - Mar. 31, 2007)

(Millions of yen)

Segment	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Eliminations	Consolidated
Accounts						
Net sales						
(1) Net sales to external customers	89,738	50,688	12,710	153,137	—	153,137
(2) Internal sales or transfers between segments	—	—	—	—	(—)	—
Total	89,738	50,688	12,710	153,137	(—)	153,137
Operating expenses	85,268	49,989	11,801	147,059	(—)	147,059
Operating income	4,469	698	908	6,077	(—)	6,077

First 9 Months (from April 1, 2007 to December 31, 2007) of FY March 2008 (from Apr. 1, 2007 - Mar. 31, 2008)

(Millions of yen)

Segment	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Eliminations	Consolidated
Accounts						
Net sales						
(1) Net sales to external customers	95,994	48,583	10,847	155,425	—	155,425
(2) Internal sales or transfers between segments	—	—	—	—	(—)	—
Total	95,994	48,583	10,847	155,425	(—)	155,425
Operating expenses	91,067	48,335	10,689	150,092	(—)	150,092
Operating income	4,927	248	157	5,333	(—)	5,333

Previous Consolidated Fiscal Year (from April 1, 2006 to March 31, 2007)

(Millions of yen)

Segment	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Eliminations	Consolidated
Accounts						
Net sales						
(1) Net sales to external customers	131,245	66,325	16,242	213,813	—	213,813
(2) Internal sales or transfers between segments	—	—	—	—	(—)	—
Total	131,245	66,325	16,242	213,813	(—)	213,813
Operating expenses	122,182	65,477	15,241	202,900	(—)	202,900
Operating income	9,063	848	1,000	10,912	(—)	10,912

[Geographically Segmented Information]

Geographically segmented information is omitted for the first 9 months of the previous fiscal year (from April 1, 2006 to December 31, 2006), the first 9 months of the current fiscal year (from April 1, 2007 to December 31, 2007), and the previous fiscal year (from April 1, 2006 to March 31, 2007). This is because Japan accounts for over 90% of the Company's total net sales and total assets aggregated across all segments.