

Notice Concerning Revised Earnings Forecast

Inabata & Co., Ltd. has made the following revisions to its earnings forecast for the interim period from April 1, 2007 to September 30, 2007 and to its full-year earnings forecast from April 1, 2007 to March 31, 2008, both of which were released on May 10, 2007.

1. Revisions of the consolidated/non-consolidated earnings forecasts for the interim period ending September 30, 2007:

Consolidated Earnings

(Unit: Million Yen, %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	227,000	3,600	3,100	1,200
Revised Forecast (B)	235,000	4,100	4,000	2,000
Difference (B-A)	8,000	500	900	800
Percentage Change (%)	3.5	13.9	29.0	66.7
(Reference) Results for the Previous Interim Period Ended September 30, 2006	223,517	3,961	4,041	3,452

Non-Consolidated Earnings

(Unit: Million Yen, %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	160,000	1,700	1,900	800
Revised Forecast (B)	160,000	2,000	2,300	1,000
Difference (B-A)	0	300	400	200
Percentage Change (%)	0	17.6	21.1	25.0
(Reference) Results for the Previous Interim Period Ended September 30, 2006	155,715	1,993	2,301	1,641

2. Revisions of the consolidated/non-consolidated earnings forecast for the full year ending March 31, 2008:

Consolidated Earnings

(Unit: Million Yen, %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	470,000	8,200	7,200	3,000
Revised Forecast (B)	480,000	8,600	7,800	3,100
Difference (B-A)	10,000	400	600	100
Percentage Change (%)	2.1	4.9	8.3	3.3
(Reference) Results for the Previous Fiscal Year Ended March 31, 2007	466,096	7,605	7,325	4,570

Non-Consolidated Earnings

(Unit: Million Yen, %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	320,000	3,600	3,800	1,600
Revised Forecast (B)	320,000	3,900	4,300	1,600
Difference (B-A)	0	300	500	0
Percentage Change (%)	0	8.3	13.2	0
(Reference) Results for the Previous Fiscal Year Ended March 31, 2007	309,657	3,704	4,135	814

3. Reasons for the revision:

With respect to the interim earnings forecasts, a greater than expected depreciation of the yen and a decrease in interest expenses are expected to boost net sales and profits to exceeding the initial forecasts.

With respect to the full-year earnings forecasts, improvements in earnings are expected to be moderate compared to the interim period. This is due to severe business performance projected at one of the European subsidiaries during the latter half of the year, as well as to higher taxes.

Note: The above forecasts were prepared based on information available at the date of release. Actual results may differ from these forecasts due to various factors.