

December 26, 2007

Notice Concerning Revision of Earnings Forecast for Fiscal Year ending March 2008 due to Revision of Interim Financial Results

Inabata & Co., Ltd. has revised its interim business results for fiscal year ending March 2008, as announced separately by the company today in its "Notice Concerning Partial Revision of Interim Financial Results for Fiscal Year ending March 2008." Along with the revision, Inabata & Co., Ltd. has revised its earnings forecast for fiscal 2007 (from April 1, 2007 to March 31, 2008) released on November 14, 2007 as described below.

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

Consolidated Earnings

(Units: Million Yen and %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	490,000	8,400	7,800	3,100
Revised Forecast (B)	490,000	8,400	7,800	2,900
Difference (B-A)	0	0	0	-200
Percentage Change (%)	0	0	0	-6.5
(Reference) Results for the Previous Fiscal Year Ended March 31, 2007	466,096	7,605	7,325	4,570

Non-Consolidated Earnings

(Units: Million Yen and %)

	Net Sales	Operating Income	Current Profit	Net Income
Previously Announced Forecast (A)	320,000	3,800	4,900	1,600
Revised Forecast (B)	320,000	3,800	4,900	1,400
Difference (B-A)	0	0	0	-200
Percentage Change (%)	0	0	0	-12.5
(Reference) Results for the Previous Fiscal Year Ended March 31, 2007	309,657	3,704	4,135	814

2. Reasons for the revision:

As announced in its “Findings of the Investigation into Improper transactions and their Impact on our Earnings” and “Notice Concerning Partial Revision of Interim Financial Results for Fiscal Year ending March 2008” dated December 26, 2007, Inabata & Co., Ltd. has made a retroactive adjustment to correct improper accounting related to the transactions, restating its interim business results for fiscal year ending March 2008. Along with this revision, the company has revised its consolidated and non-consolidated earnings forecasts for fiscal year ending March 2008. The company expects to post a special profit of about 800 million yen for the current fiscal year in addition to the earnings announced before, due to sales of stockholdings.

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.

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