

Summary of Nonconsolidated Financial Results
for the Six Months ended September 2005

Amuse Inc.

Nonconsolidated interim balance sheet

Thousands of yen	September 30, 2005	%	March 31, 2005	%	Increase/ decrease	September 30, 2004	%
Current assets							
Cash and deposits	1,949,569		1,803,104		146,464	2,517,772	
Accounts receivable	1,619,518		1,863,133		(243,614)	768,954	
Inventories	1,405,889		1,879,653		(473,763)	1,144,082	
Short-term loans	3,149,194		2,419,281		729,913	1,788,324	
Others	421,418		292,047		129,370	297,758	
Allowance for doubtful accounts	(155,326)		(181,013)		25,687	(175,576)	
	<u>8,390,264</u>	63.1	<u>8,076,207</u>	63.9	<u>314,057</u>	<u>6,341,316</u>	57.9
Fixed assets							
Tangible fixed assets							
Buildings	619,810		700,994		(81,183)	715,812	
Land	1,105,587		1,126,112		(20,524)	1,126,112	
Others	96,552		26,736		69,816	28,805	
	<u>1,821,950</u>		<u>1,853,843</u>		<u>(31,892)</u>	<u>1,870,731</u>	
Intangible fixed assets	91,170		248,645		(157,475)	260,256	
Investments and other assets							
Investment securities	1,088,507		429,548		658,958	-	
Equity investments in affiliates	1,000,784		991,598		9,186	991,598	
Others	1,057,186		1,125,474		(68,288)	1,595,328	
Allowance for doubtful accounts	(157,844)		(77,175)		(80,668)	(110,471)	
	<u>2,988,633</u>		<u>2,469,445</u>		<u>519,187</u>	<u>2,476,455</u>	
Total fixed assets	<u>4,901,754</u>	36.9	<u>4,571,934</u>	36.1	<u>329,820</u>	<u>4,607,443</u>	42.1
Total assets	<u>13,292,019</u>	100.0	<u>12,648,142</u>	100.0	<u>643,877</u>	<u>10,948,759</u>	100.0

Thousands of yen	September 30, 2005	%	March 31, 2005	%	Increase/ decrease	September 30, 2004	%
Current liabilities							
Accounts payable	2,904,532		2,079,551		824,981	1,588,137	
Short-term borrowings	500,000		-		500,000	-	
Others	348,721		652,046		(303,325)	224,277	
	<u>3,753,254</u>	28.2	<u>2,731,598</u>	21.6	<u>1,021,655</u>	<u>1,812,415</u>	16.6
Long-term liabilities							
Employees' retirement benefits	426,241		410,749		15,491	383,786	
Reserve for directors' retirement allowances	376,928		586,599		(209,670)	571,363	
Others	1,110		1,048		62	912	
	<u>804,280</u>	6.1	<u>998,397</u>	7.9	<u>(194,116)</u>	<u>956,061</u>	8.7
Total liabilities	<u>4,557,534</u>	34.3	<u>3,729,995</u>	29.5	<u>827,539</u>	<u>2,768,476</u>	25.3
Shareholders' equity							
Common stock	1,587,825	11.9	1,587,825	12.5	-	1,587,825	14.5
Capital reserves							
Additional paid-in capital	1,694,890		1,694,890		-	1,694,890	
	<u>1,694,890</u>	12.8	<u>1,694,890</u>	13.4	<u>-</u>	<u>1,694,890</u>	15.5
Retained earnings							
Legal income reserve	4,033		4,033		-	4,033	
Voluntary reserves	4,600,164		4,100,164		500,000	4,100,164	
Unappropriated retained earnings, end of term	600,417		1,396,781		(796,363)	701,929	
	<u>5,204,614</u>	39.1	<u>5,500,978</u>	43.5	<u>(296,363)</u>	<u>4,806,127</u>	43.9
Unrealized gains or losses on other securities	262,130	2.0	147,987	1.2	114,142	104,099	0.9
Treasury stock	(14,975)	(0.1)	(13,534)	(0.1)	(1,440)	(12,658)	(0.1)
Total shareholders' equity	<u>8,734,484</u>	65.7	<u>8,918,146</u>	70.5	<u>(183,661)</u>	<u>8,180,282</u>	74.7
Total liabilities and shareholders' equity	<u>13,292,019</u>	100.0	<u>12,648,142</u>	100.0	<u>643,877</u>	<u>10,948,759</u>	100.0

Nonconsolidated interim statement of income

Thousands of yen	Six months ended September 30, 2005		Six months ended September 30, 2004		Increase/ decrease	Year ended March 31, 2005		
		%		%		%	%	
Operating revenue	6,979,811	100.0	4,521,440	100.0	2,458,370	54.4	11,649,318	100.0
Cost of operation	6,305,936	90.3	3,947,522	87.3	2,358,414	59.7	9,216,111	79.1
Gross operating income	673,874	9.7	573,917	12.7	99,956	17.4	2,433,207	20.9
Selling, general and administrative expenses	838,652	12.1	752,649	16.7	86,003	11.4	1,455,273	12.5
Operating income (loss)	(164,778)	(2.4)	(178,731)	(4.0)	13,953	-	977,933	8.4
Nonoperating income	44,818	0.7	37,338	0.8	7,480	20.0	74,352	0.6
Nonoperating expenses	13,999	0.2	12,768	0.2	1,230	9.6	23,434	0.2
Ordinary profit (losses)	(133,958)	(1.9)	(154,161)	(3.4)	20,203	-	1,028,851	8.8
Extraordinary income	59,541	0.8	15,516	0.3	44,025	283.7	40,232	0.4
Extraordinary losses	233,293	3.3	8,853	0.2	224,439	-	8,853	0.1
Income (loss) before taxes and other adjustments	(307,710)	(4.4)	(147,498)	(3.3)	(160,211)	-	1,060,231	9.1
Corporate taxes and others	12,261	0.2	1,350	0.0	10,911	808.3	446,810	3.8
Deferred taxes	(111,606)	(1.6)	(47,337)	(1.1)	(64,268)	-	20,080	0.2
Net income (loss)	(208,365)	(3.0)	(101,511)	(2.2)	(106,854)	-	593,340	5.1
Retained earnings carried forward from previous term	808,783		803,440		5,342		803,440	
Unappropriated retained earnings, end of term	600,417		701,929		(101,512)		1,396,781	