

Summary of Nonconsolidated Financial Results
for the Six Months ended September 2007

Amuse Inc.

Nonconsolidated interim balance sheet

Thousands of yen	September 30, 2006	%	September 30, 2007	%	Year-on-year change	March 31, 2007	%
Current assets							
Cash and deposits	1,014,270		789,784			1,526,856	
Accounts receivable	1,961,573		1,528,747			2,360,210	
Inventories	2,137,396		2,054,900			2,063,531	
Short-term loans	4,240,176		4,579,390			4,293,445	
Others	381,659		329,229			405,618	
Allowance for doubtful accounts	(159,763)		(154,448)			(162,189)	
	<u>9,575,314</u>	66.8	<u>9,127,604</u>	65.8	(447,709)	<u>10,487,473</u>	68.8
Fixed assets							
Tangible fixed assets							
Buildings	606,617		579,036			591,285	
Land	1,093,612		1,093,612			1,093,612	
Others	71,584		56,706			62,059	
	<u>1,771,814</u>		<u>1,729,355</u>		(42,459)	<u>1,746,957</u>	
Intangible fixed assets	160,192		207,131		46,939	202,748	
Investments and other assets							
Investment securities	1,058,666		573,199			712,228	
Equity investments in affiliates	1,000,784		1,049,784			1,049,784	
Others	968,771		1,339,057			1,203,015	
Allowance for doubtful accounts	(192,753)		(146,587)			(165,157)	
	<u>2,835,467</u>		<u>2,815,453</u>		(20,014)	<u>2,799,871</u>	
Total fixed assets	<u>4,767,474</u>	33.2	<u>4,751,940</u>	34.2	(15,534)	<u>4,749,577</u>	31.2
Total assets	<u>14,342,788</u>	100.0	<u>13,879,545</u>	100.0	(463,243)	<u>15,237,051</u>	100.0

Thousands of yen	September 30, 2006	%	September 30, 2007	%	Year-on-year change	March 31, 2007	%
Current liabilities							
Accounts payable	2,723,459		1,724,680			3,850,685	
Short-term borrowings	500,000		1,000,000			-	
Allowance for sales returns	-		400			-	
Others	526,216		542,764			653,999	
	<u>3,749,676</u>	26.1	<u>3,267,844</u>	23.5	(481,832)	<u>4,504,685</u>	29.6
Long-term liabilities							
Employees' retirement benefits	484,607		522,850			513,924	
Reserve for directors' retirement allowances	398,878		337,376			398,878	
Others	994		944			944	
	<u>884,479</u>	6.2	<u>861,170</u>	6.2	(23,309)	<u>913,746</u>	6.0
Total liabilities	<u>4,634,156</u>	32.3	<u>4,129,015</u>	29.7	(505,141)	<u>5,418,432</u>	35.6
Net assets							
Shareholders' equity							
Common stock	1,587,825	11.1	1,587,825	11.4	-	1,587,825	10.4
Capital reserves							
Additional paid-in capital	<u>1,694,890</u>		<u>1,694,890</u>			<u>1,694,890</u>	
	<u>1,694,890</u>	11.8	<u>1,694,890</u>	12.2	-	<u>1,694,890</u>	11.1
Retained earnings							
Legal income reserve	4,033		4,033			4,033	
Other retained earnings							
General reserves	5,200,164		5,600,164			5,200,164	
Retained earnings brought forward	1,040,565		925,093			1,318,638	
	<u>6,244,762</u>	43.5	<u>6,529,290</u>	47.1	284,528	<u>6,522,835</u>	42.8
Treasury stock	(16,843)	(0.1)	(17,211)	(0.1)	(367)	(16,960)	(0.1)
	<u>9,510,633</u>	66.3	<u>9,794,794</u>	70.6	284,160	<u>9,788,589</u>	64.2
Valuation/translation gains (losses)							
Unrealized gains or losses on other securities	197,998	1.4	(44,264)	(0.3)	(242,263)	30,029	0.2
	<u>197,998</u>	1.4	<u>(44,264)</u>	(0.3)	<u>(242,263)</u>	<u>30,029</u>	0.2
Total net assets	<u>9,708,632</u>	67.7	<u>9,750,529</u>	70.3	41,897	<u>9,818,618</u>	64.4
Total liabilities and net assets	<u>14,342,788</u>	100.0	<u>13,879,545</u>	100.0	(463,243)	<u>15,237,051</u>	100.0

Nonconsolidated interim statement of income

Thousands of yen	Six months ended September 30, 2006		Six months ended September 30, 2007		Year-on-year change	Year ended March 31, 2007	
		%		%			%
Operating revenue	6,502,885	100.0	6,539,059	100.0	36,174	14,327,332	100.0
Cost of operation	5,390,873	82.9	5,288,405	80.9	(102,468)	11,679,475	81.5
Gross operating income	1,112,011	17.1	1,250,653	19.1	138,642	2,647,856	18.5
Provision for allowance for sales returns	-	-	400	0.0	400	-	-
Gross operating income less provision	1,112,011	17.1	1,250,253	19.1	138,242	2,647,856	18.5
Selling, general and administrative expenses	764,871	11.8	1,093,782	16.7	328,910	1,627,654	11.4
Operating income	347,140	5.3	156,471	2.4	(190,668)	1,020,201	7.1
Non-operating income	58,237	0.9	42,457	0.6	(15,780)	104,841	0.7
Non-operating expenses	11,098	0.1	8,490	0.1	(2,607)	29,065	0.2
Ordinary profit	394,279	6.1	190,437	2.9	(203,841)	1,095,977	7.6
Extraordinary income	-	-	8,919	0.1	8,919	-	-
Extraordinary losses	18,875	0.3	13,108	0.2	(5,767)	85,618	0.6
Income before taxes and other adjustments	375,403	5.8	186,249	2.8	(189,153)	1,010,358	7.0
Corporate taxes and others	134,428		178,124			468,364	
Deferred taxes	34,235		(75,845)			(20,334)	
	168,663	2.6	102,279	1.5	(66,384)	448,029	3.1
Net income	206,739	3.2	83,970	1.3	(122,769)	562,328	3.9

Nonconsolidated statement of changes in net assets (shareholders' equity, etc.)

Thousands of yen; Six months ended September 30, 2006	Shareholders' equity						Total shareholders' equity
	Common stock	Capital reserves		Retained earnings		Treasury stock	
		Additional paid-in capital	Legal income reserve	General reserve	Retained earnings carried forward		
Balance as of Mar. 31, 2006	1,587,825	1,694,890	4,033	4,600,164	1,531,341	(16,035)	9,402,218
Changes during the term							
Provision for general reserve (note)				600,000	(600,000)		-
Dividends (note)					(77,518)		(77,518)
Directors' and corporate auditors' bonuses (note)					(19,997)		(19,997)
Net income (loss)					206,739		206,739
Acquisition of treasury stock						(808)	(808)
Changes in non-shareholders' equity items during the term (net)							
Total changes during the term	-	-	-	600,000	(490,776)	(808)	108,415
Balance as of Sept. 30, 2006	1,587,825	1,694,890	4,033	5,200,164	1,040,565	(16,843)	9,510,633

Thousands of yen; Six months ended September 30, 2006	Valuation/translation gains (losses)		Total net assets
	Unrealized gains or losses on other securities	Total valuation /translation gains (losses)	
Balance as of Mar. 31, 2006	309,677	309,677	9,711,895
Changes during the term			
Provision for general reserve (note)			-
Dividends (note)			(77,518)
Directors' and corporate auditors' bonuses (note)			(19,997)
Net income (loss)			206,739
Acquisition of treasury stock			(808)
Changes in non-shareholders' equity items during the term (net)	(111,678)	(111,678)	(111,678)
Total changes during the term	(111,678)	(111,678)	(3,262)
Balance as of Sept. 30, 2006	197,998	197,998	9,708,632

(Note) These items represent profit appropriation items resolved at the Ordinary General Meeting of Shareholders held on June 25, 2006.

Shareholders' equity									
Thousands of yen; Six months ended September 30, 2007	Capital reserves			Retained earnings			Treasury stock	Total shareholders' equity	
	Common stock	Additional paid-in capital	Total capital reserves	Other retained earnings		Total retained earnings			
				Legal income reserve	General reserve				Retained earnings carried forward
Balance as of Mar. 31, 2007	1,587,825	1,694,890	1,694,890	4,033	5,200,164	1,318,638	6,522,835	(16,960)	9,788,589
Changes during the term									
Provision for general reserve					400,000	(400,000)	-		-
Dividends						(77,515)	(77,515)		(77,515)
Net income (loss)						83,970	83,970		83,970
Acquisition of treasury stock								(250)	(250)
Changes in non-shareholders' equity items during the term (net)									
Total changes during the term	-	-	-	-	400,000	(393,544)	6,455	(250)	6,204
Balance as of Sept. 30, 2007	1,587,825	1,694,890	1,694,890	4,033	5,600,164	925,093	6,529,290	(17,211)	9,794,794

Thousands of yen; Six months ended September 30, 2007	Valuation/translation gains (losses)		Total net assets
	Unrealized gains or losses on other securities	Total valuation /translation gains (losses)	
	Balance as of Mar. 31, 2007	30,029	
Changes during the term			
Provision for general reserve			-
Dividends			(77,515)
Net income (loss)			83,970
Acquisition of treasury stock			(250)
Changes in non-shareholders' equity items during the term (net)	(74,293)	(74,293)	(74,293)
Total changes during the term	(74,293)	(74,293)	(68,089)
Balance as of Sept. 30, 2007	(44,264)	(44,264)	9,750,529

Thousands of yen; Year ended March 31, 2007	Shareholders' equity								
	Capital reserves			Retained earnings				Treasury stock	Total shareholders' equity
	Common stock	Additional paid-in capital	Total capital reserves	Other retained earnings		Retained earnings carried forward	Total retained earnings		
				Legal income reserve	General reserve				
Balance as of Mar. 31, 2006	1,587,825	1,694,890	1,694,890	4,033	4,600,164	1,531,341	6,135,538	(16,035)	9,402,218
Changes during the term									
Provision for general reserve (note)					600,000	(600,000)	-		-
Dividends (note)						(77,518)	(77,518)		(77,518)
Dividends						(77,515)	(77,515)		(77,515)
Directors' and corporate auditors' bonuses (note)						(19,997)	(19,997)		(19,997)
Net income (loss)						562,328	562,328		562,328
Acquisition of treasury stock								(925)	(925)
Changes in non-shareholders' equity items during the term (net)									
Total changes during the term	-	-	-	-	600,000	(212,703)	387,296	(925)	386,371
Balance as of Mar. 31, 2007	1,587,825	1,694,890	1,694,890	4,033	5,200,164	1,318,638	6,522,835	(16,960)	9,788,589

Thousands of yen; Year ended March 31, 2007	Valuation/translation gains (losses)		Total net assets
	Unrealized gains or losses on other securities	Total valuation /translation gains (losses)	
Balance as of Mar. 31, 2006	309,677	309,677	9,711,895
Changes during the term			
Provision for general reserve (note)			-
Dividends (note)			(77,518)
Dividends			(77,515)
Directors' and corporate auditors' bonuses (note)			(19,997)
Net income (loss)			562,328
Acquisition of treasury stock			(925)
Changes in non-shareholders' equity items during the term (net)	(279,648)	(279,648)	(279,648)
Total changes during the term	(279,648)	(279,648)	106,723
Balance as of Mar 31, 2007	(30,029)	(30,029)	9,818,618

(Note) These items represent profit appropriation items resolved at the Ordinary General Meeting of Shareholders held on June 25, 2006.