



January 15, 2009

## Financial Summaries for the First Nine Months of the Fiscal Year Ending February 28, 2009

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Stock Exchange listing: OSE, 2<sup>nd</sup> Section  
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(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Nine Months Ended November 30, 2008 (Mar. 1, 2008 – Nov. 30, 2008)

#### (1) Consolidated results of operations

(Percentages represent year-on-year percentage change)

	Revenue from operations		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Nov. 2008	14,918	(38.7)	(2,511)	-	(3,725)	-	(6,313)	-
Nine months ended Nov. 2007	24,346	30.9	4	(99.2)	(763)	-	(198)	-
Fiscal year ended Feb. 2008	55,338	-	1,586	-	181	-	83	-

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Nov. 2008	(49,213.47)	-
Nine months ended Nov. 2007	(1,548.88)	-
Fiscal year ended Feb. 2008	650.36	541.94

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Nov. 30, 2008	55,396	7,735	13.8	59,455.92
As of Nov. 30, 2007	66,092	14,157	21.0	108,151.68
As of Feb. 29, 2008	68,128	14,656	21.0	111,482.47

### 2. Dividends

	Dividend per share
	3Q-end
(Record date)	Yen
Nine months ended Nov. 2007	-
Nine months ended Nov. 2008	-

### 3. Consolidated Forecast for the Fiscal Year Ending February 28, 2009 (Mar. 1, 2008 – Feb. 28, 2009)

(Percentages represent year-on-year percentage change)

	Revenue from operations		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	53,700	(3.0)	(1,816)	-	(2,950)	-	(6,224)	-	(48,514.78)

### 4. Others

(1) Changes in major subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of the simplified method for accounting procedures: Yes

(3) Changes in accounting procedures from the most recent fiscal year: None

Note: Please refer to “Qualitative Information and Financial Statements, 4. Others” on page 3 for further information.

**Reference: Summary of Non-consolidated Financial Results****1. Non-consolidated Financial Results for the Nine Months Ended November 30, 2008 (Mar. 1, 2008 – Nov. 30, 2008)**

## (1) Non-consolidated results of operations

(Percentages represent year-on-year percentage change)

	Revenue from operations		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Nov. 2008	9,171	(49.2)	(1,629)	-	(2,267)	-	(6,319)	-
Nine months ended Nov. 2007	18,064	12.7	213	(72.9)	996	78.6	444	20.4
Fiscal year ended Feb. 2008	45,135	-	1,810	-	2,355	-	855	-

	Net income per share
	Yen
Nine months ended Nov. 2008	(49,262.21)
Nine months ended Nov. 2007	3,464.44
Fiscal year ended Feb. 2008	6,666.95

## (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Nov. 30, 2008	45,997	8,394	18.2	65,432.23
As of Nov. 30, 2007	55,679	14,785	26.4	114,709.30
As of Feb. 29, 2008	59,302	15,186	25.5	117,755.53

**2. Non-consolidated Forecast for the Fiscal Year Ending February 28, 2009 (Mar. 1, 2008 – Feb. 28, 2009)**

(Percentages represent year-on-year percentage change)

	Revenue from operations		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	30,900	(31.5)	(1,485)	-	(2,060)	-	(5,933)	-	(46,246.50)

\* Explanation and other remarks for the appropriate usage of forecasts

The estimated values above have been prepared based on information available as of the announcement date of the summary. Actual results of operations may differ from the estimated values depending on various factors. Estimated net income per share is calculated without dilution for common stock equivalents associated with bond with stock acquisition rights.

## Qualitative Information and Financial Statements

### 1. Qualitative Information Regarding Consolidated Results of Operations

During the first three quarters of the fiscal year, turmoil in global financial markets caused by the subprime mortgage crisis caused the Japanese economy to weaken rapidly. The economy is currently pulling back amid foreign exchange rate volatility, rising unemployment, lackluster consumer spending and many other sources of concern.

In the real estate industry, the operating environment is becoming increasingly challenging. In particular, tighter credit standards at financial institutions for real estate and negative consumer sentiment have caused a drop in the contract ratio and resulting increase in inventories.

In this environment, the Group concentrated on improving its financial condition and using resources more efficiently. To accomplish these goals, group companies were realigned and inventories were sold in accordance with the new medium-term management plan. Despite these actions, many factors made it more difficult to remain profitable. For instance, even as the price of building materials increases, prices of properties have been discounted because of the declining desire of consumers to purchase condominiums as Japan's economy weakens.

Due to these activities, consolidated revenue from operations decreased 38.7% year-on-year to 14,918 million yen. Ordinary loss was 3,725 million yen compared with a loss of 763 million yen one year earlier, and net loss was 6,313 million yen compared with a loss of 198 million yen one year earlier.

### 2. Qualitative Information Regarding Consolidated Financial Position

Total assets decreased 12,732 million yen over the end of the previous fiscal year to 55,396 million yen. This was the net result of an increase in inventories, a decrease in cash and deposits and notes and accounts receivable-trade.

Liabilities decreased 5,810 million yen over the end of the previous fiscal year to 47,661 million yen mainly due to a decrease in long-term debt.

Net assets decreased 6,921 million yen over the end of the previous fiscal year to 7,735 million yen mainly due to a decrease in retained earnings.

### 3. Qualitative Information Regarding Consolidated Forecast

Worldwide volatility in financial markets sparked by the subprime mortgage crisis is causing a steep downturn in Japan's economy. This is creating an even more difficult operating environment in the real estate industry. The Group expects this challenging business climate to continue for some time. In response, the Group has examined its outlook for consolidated performance. Due to the large number of uncertainties affecting the outlook, this examination resulted in no revisions at this time to the fiscal year forecast that was announced on October 24, 2008. An announcement will be made promptly if any revisions are required once this examination has been completed.

### 4. Others

(1) Changes in major subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation)

Not applicable.

(2) Adoption of the simplified method for accounting procedures

We have partially adopted simplified methods for booking reserves.

(3) Changes in accounting procedures from the most recent fiscal year

Not applicable.

## 5. Summary Consolidated Financial Statements

## (1) Summary Consolidated Balance Sheets

(Thousands of yen, %)

Item	3Q FY2/08 (As of Nov. 30, 2007)		3Q FY2/09 (As of Nov. 30, 2008)		Change		FY2/08 (As of Feb. 29, 2008)	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Assets</b>								
I Current assets								
1. Cash and deposits	5,968,252		3,408,268		(2,559,983)		10,562,642	
2. Notes and accounts receivable-trade	1,368,959		1,401,845		32,886		8,429,184	
3. Inventories	42,487,524		40,376,793		(2,110,731)		33,657,418	
4. Other	2,094,915		3,696,976		1,602,061		2,388,132	
5. Allowance for uncollectable receivables	(3,615)		(2,346,183)		(2,342,567)		(14,093)	
Total current assets	51,916,037	78.6	46,537,701	84.0	(5,378,335)	(10.4)	55,023,284	80.8
II Fixed assets								
1. Property, plant and equipment								
(1) Buildings	3,335,668		3,165,733		(169,934)		3,226,029	
(2) Land	2,611,604		2,301,517		(310,086)		2,305,809	
(3) Other	342,291		347,244		4,953		312,697	
Total property, plant and equipment	6,289,564	9.5	5,814,496	10.5	(475,068)	(7.6)	5,844,537	8.6
2. Intangible assets								
(1) Goodwill	678,977		146,349		(532,628)		510,612	
(2) Other	652,812		579,336		(73,475)		617,979	
Total intangible assets	1,331,790	2.0	725,686	1.3	(606,103)	(45.5)	1,128,592	1.6
3. Investments and other assets								
(1) Investment securities	4,630,603		1,277,450		(3,353,152)		4,216,232	
(2) Other	1,955,991		1,127,580		(828,411)		1,949,001	
(3) Allowance for uncollectable receivables	(31,382)		(86,417)		(55,034)		(32,743)	
Total investments and other assets	6,555,212	9.9	2,318,613	4.2	(4,236,598)	(64.6)	6,132,490	9.0
Total fixed assets	14,176,566	21.4	8,858,795	16.0	(5,317,771)	(37.5)	13,105,620	19.2
Total assets	66,092,604	100.0	55,396,497	100.0	(10,696,106)	(16.2)	68,128,904	100.0

(Thousands of yen, %)

Item	3Q FY2/08 (As of Nov. 30, 2007)		3Q FY2/09 (As of Nov. 30, 2008)		Change		FY2/08 (As of Feb. 29, 2008)	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Liabilities</b>								
<b>I Current liabilities</b>								
1. Notes and accounts payable-trade	601,822		3,778,780		3,176,958		6,224,861	
2. Short-term debt	26,179,458		24,791,102		(1,388,355)		23,044,666	
3. Corporate bonds due within one year	-		650,000		650,000		-	
4. Allowance for bonuses to employees	76,961		32,272		(44,689)		25,620	
5. Other	4,080,089		3,399,689		(680,400)		4,311,671	
Total current liabilities	30,938,331	46.8	32,651,845	58.9	1,713,513	5.5	33,606,819	49.3
<b>II Long-term liabilities</b>								
1. Corporate bonds	650,000		-		(650,000)		650,000	
2. Bonds with stock acquisition rights	6,000,000		11,000,000		5,000,000		11,000,000	
3. Long-term debt	13,105,409		3,116,914		(9,988,494)		7,031,339	
4. Allowance for retirement benefits for employees	116,341		121,798		5,457		119,953	
5. Allowance for retirement benefits for directors and corporate auditors	85,862		69,615		(16,246)		88,095	
6. Negative goodwill	87,937		58,870		(29,066)		80,670	
7. Other	950,841		642,374		(308,467)		895,365	
Total long-term liabilities	20,996,392	31.8	15,009,574	27.1	(5,986,817)	(28.5)	19,865,426	29.2
Total liabilities	51,934,724	78.6	47,661,419	86.0	(4,273,304)	(8.2)	53,472,245	78.5
<b>Net assets</b>								
<b>I Shareholders' equity</b>								
1. Common stock	7,659,238	11.6	7,659,238	13.8	-	-	7,659,238	11.2
2. Capital surplus	3,380,573	5.1	3,380,188	6.1	(385)	(0.0)	3,380,269	5.0
3. Retained earnings	2,779,985	4.2	(3,549,497)	(6.4)	(6,329,482)	-	3,061,720	4.5
4. Treasury stock	(2,528)	(0.0)	(2,133)	(0.0)	394	-	(1,967)	(0.0)
Total shareholders' equity	13,817,269	20.9	7,487,795	13.5	(6,329,473)	(45.8)	14,099,260	20.7
<b>II Valuation and translation adjustments</b>								
1. Net unrealized holding gains on securities	44,663	0.1	(20,872)	(0.0)	(65,535)	-	128,300	0.2
2. Foreign currency translation adjustment	12,845	0.0	160,569	0.3	147,724	-	74,725	0.1
Total valuation and translation adjustments	57,509	0.1	139,697	0.3	82,188	142.9	203,026	0.3
<b>III Stock acquisition rights</b>	69,258	0.1	-	-	(69,258)	-	79,343	0.1
<b>IV Minority interests</b>	213,842	0.3	107,584	0.2	(106,258)	(49.7)	275,028	0.4
Total net assets	14,157,880	21.4	7,735,077	14.0	(6,422,802)	(45.4)	14,656,658	21.5
Total liabilities and net assets	66,092,604	100.0	55,396,497	100.0	(10,696,106)	(16.2)	68,128,904	100.0

**(2) Summary Consolidated Statements of Income**

(Thousands of yen, %)

Item	3Q FY2/08 (Mar. 1, 2007 – Nov. 30, 2007)		3Q FY2/09 (Mar. 1, 2008 – Nov. 30, 2008)		Change		FY2/08 (Mar. 1, 2007 – Feb. 29, 2008)	
	Amount	%	Amount	%	Amount	%	Amount	%
I Revenue from operations	24,346,381	100.0	14,918,737	100.0	(9,427,644)	(38.7)	55,338,807	100.0
II Cost of revenue from operations	21,282,011	87.4	14,525,362	97.4	(6,756,648)	(31.7)	48,349,637	87.4
Gross profit	3,064,369	12.6	393,374	2.6	(2,670,995)	(87.2)	6,989,169	12.6
III Selling, general and administrative expenses	3,059,573	12.6	2,904,501	19.4	(155,071)	(5.1)	5,402,920	9.7
Operating income (loss)	4,796	0.0	(2,511,127)	(16.8)	(2,515,924)	-	1,586,248	2.9
IV Non-operating income	248,638	1.0	164,676	1.1	(83,961)	(33.8)	244,957	0.4
1. Interest income	22,032		30,453		8,420		32,464	
2. Dividend income	11,233		45,939		34,705		28,227	
3. Gain on sale of marketable securities	41,784		-		(41,784)		8,137	
4. Amortization of negative goodwill	21,799		21,799		-		29,066	
5. Other	151,787		66,484		(85,302)		147,061	
V Non-operating expenses	1,016,510	4.1	1,379,535	9.3	363,024	35.7	1,650,035	3.0
1. Interest expense	732,070		619,816		(112,253)		924,986	
2. Other	284,440		759,719		475,278		725,048	
Ordinary income (loss)	(763,075)	(3.1)	(3,725,986)	(25.0)	(2,962,910)	-	181,169	0.3
VI Extraordinary gains	838,896	3.4	484,949	3.3	(353,947)	(42.2)	987,496	1.8
1. Gain on sale of fixed assets	740,202		4,366		(735,835)		786,062	
2. Gain on sale of investment securities	22,800		355,538		332,738		130,423	
3. Gain on reversal of stock acquisition rights	-		96,909		96,909		-	
4. Other	75,894		28,134		(47,759)		71,010	
VII Extraordinary losses	1,128,135	4.6	3,167,227	21.2	2,039,091	180.7	1,470,434	2.6
1. Loss on valuation of investment securities	17,318		486,087		468,768		85,965	
2. Provision for allowance for uncollectable receivables	-		2,333,051		2,333,051		-	
3. Impairment losses	1,051,732		322,296		(729,436)		1,190,177	
4. Other	59,084		25,792		(33,291)		194,290	
Net loss before income taxes	(1,052,315)	(4.3)	(6,408,264)	(42.9)	(5,355,949)	-	(301,767)	(0.5)
Income taxes	(893,464)	(3.7)	(3,564)	(0.0)	889,900	-	(415,533)	(0.8)
Minority interests (loss)	39,859	0.2	(91,093)	(0.6)	(130,952)	-	30,330	0.1
Net income (loss)	(198,710)	(0.8)	(6,313,606)	(42.3)	(6,114,896)	-	83,436	0.2

\* This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.