



(Unaudited translation of 'kessan tannshin', provided for reference only)

Financial Results
For the Three Months Ended June 30, 2008 - Consolidated

July 31, 2008

Iino Kaiun Kaisha, Ltd.

Security code: 9119
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(Rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2008
(April 1, 2008 to June 30, 2008)

(1) Operating Results

(Percentage figures represent year-on-year changes)

	Revenues		Operating Profit		Recurring Profit		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Q1 / FY2008	23,324	-	3,720	-	3,545	-	2,395	-
Q1 / FY2007	22,886	22.6	4,714	53.1	5,093	83.9	1,748	5.7

	Net income per share	Net income per share, fully diluted
	yen	yen
Q1 / FY2008	21.88	-
Q1 / FY2007	15.96	-

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets Per share
	million yen	million yen	%	yen
Q1 / FY2008	180,723	54,570	30.1	496.16
FY2007	176,228	52,591	29.7	477.08

Note: Treasury stock:
 Q1 / FY2008: 54,362 million yen
 FY2007 : 52,010 million yen

2. Dividends

	Dividend per share		
	Interim	Year-end	Full year
	yen	yen	yen
FY2007	6.00	9.00	15.00
FY2008 (Forecast)	6.00	6.00	12.00

Note: Breakdown of year-end dividend

FY2007: Ordinary dividend: ¥6.00 Special dividend: ¥3.00

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**3. Forecast of Consolidated Earnings for the Year Ending March 31, 2008
(April 1, 2007 to March 31, 2008)**

	Revenues		Operating Profit		Recurring Profit		Net Income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Interim	49,600	–	6,600	–	6,000	–	4,100	–	37.42
Full year	101,100	6.3	13,700	17.1	12,700	20.9	8,300	50.3	75.75

The percentage figures represent changes from the previous corresponding period.

4. Other

- (1) Changes in principal subsidiaries during the period (Changes in the subsidiaries resulting in changes in scope of consolidation): None
- (2) Use of simplified accounting method: Used
Note: For details, see "4.Other Information" in "Operating Results and Financial Position" on page 6-7.
- (3) Change in accounting policies from the last accounting period: None
- (4) Number of shares issued and outstanding (Common stock):
 - i) Number of shares issued and outstanding at the end of the period (including treasury stock)
Q1 / FY2008: 111,075,980 shares FY2007: 111,075,980 shares
 - ii) Number of treasury stock at the end of the period
Q1 / FY2008: 1,509,054 shares FY2007: 1,508,315 shares
 - iii) Average number of shares in the period
Q1 / FY2008: 111,075,980 shares Q1 / FY2007: 111,075,980 shares

Appropriate Use of Earnings Forecasts and Other Important Information

1. These materials contain various forward-looking statements and other forecasts regarding performance and other matters. Such statements are based information available at the time of preparation as well as certain reasonable assumptions. Actual results may differ materially from those expressed or implied by forward-looking statements due to a range of factors. For the assumptions underlying the earnings forecasts presented and other information regarding the use of such forecasts, refer to "3. Outlook for the Full Year Ending March 31, 2008" page 3 in the "Operating Results and Financial Position" section.
2. Effective this financial year, the Company has adopted the "Accounting Standard for Quarterly Financial Reporting" (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). The consolidated financial statements for the three months ended June 30, 2008, were prepared based on the "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."

Operating Results and Financial Position

1. Operating Results

1) Overview of the Three Months Ended June 30, 2008

During the April–June quarter, financial unrest stemming from the subprime mortgage crisis continued, and inflationary pressure increased, driven by surging prices for crude oil and other resources and accompanying rises in foodstuff prices. In the U.S., although personal income tax rebates that began in May had an effect, a further decline in housing prices and worsening employment situation, along with slumping stock prices, have caused growth in consumer spending to decline, and fear of a long-term recession is intensifying. In the Eurozone also, the economy is gradually decelerating due to factors such as decreased foreign demand caused by a strong euro. On one hand, the Asian economies are generally healthy. But in China, the government is strengthening its monetary tightening policies amid inflationary concerns, and stock prices and the real estate market look set for a correction. Japan's economy is facing increasing downside risk over uncertainty regarding the direction of the US economy, worsening corporate profits due to high crude oil prices, and weakening consumer spending.

In this operating environment, the shipping business saw a year-on-year increase in revenue for the quarter, boosted by high levels of activity in the bulk carrier market. Revenue was down in the real estate business due to the departure of tenants as the rebuilding plan for the Iino Building progresses. As a result, the Company achieved consolidated revenues of ¥23,234 million, a 1.9% increase compared to the first quarter last year, operating profit of ¥3,720 million, a 21.1% decline, and recurring profit of ¥3,545 million, a 30.4% decline. Net income was up 37.0% year on year to ¥2,395 million. This was mainly because the majority of losses related to rebuilding were recorded in the previous fiscal year, resulting in significantly lower losses (a decrease of ¥2,248 million) for the quarter under review.

2) Segment Overview

a) Shipping Business

During the first quarter, the oil tanker market was strong due to shippers displaying a preference for double-hull tankers. Although the petroleum products tanker business was sluggish due a decline in operating rates due to scheduled oil-refinery's periodical maintenance at the beginning of the quarter and a supply pressure for newly built vessels. Shipping space supply and demand later tightened producing an upswing. The chemical tanker business was stable thanks to tight supply and demand for shipping space due to an increase in long-haul voyage, but some markets, including Asia, are beginning to weaken. The bulk carrier market saw high levels of activity overall due to a continuing supply of newly built vessels, robust cargo movement underpinned by an increased demand for raw materials, speculative chartering activities.

With regards to the Group's shipping business, the oil tanker division maintained stable earnings due to the fact that most of the shipping capacity it controls is engaged in medium- to long-term contracts. This resulted in shipping revenues for the division of ¥2,232 million.

The chemical tanker division also secured stable earnings. On the key Middle East – Asia routes, spot contracts were concluded in addition to contracts of affreightment, and existing contracts of affreightment on the Middle East – Europe routes were extended. As a result, shipping revenues for the division totaled ¥8,620 million.

In the large gas tanker division, existing long-term contracts for both LPG and LNG tankers continued to generate stable earnings. Additionally, one large LPG tanker contract expired and the vessel was subsequently sold. As a result, shipping revenues for the division totaled ¥1,855 million.

In the small gas tanker division, demand was slack for LPG transportation in domestic waters. To compensate for this, we actively pursued petrochemical gas transportation. The result was increased operating efficiency that absorbed the steep rise in fuel costs, enabling us to improve earnings. In adjacent waters, most of the fleet was engaged in medium- to long-term contracts, which produced stable earnings. As a result, shipping revenues for the division totaled ¥2,424 million.

In the bulk carrier division, in addition to earning stable revenues from vessels dedicated to the transport of wood chips for paper mill companies and coal for electric power companies, the Company expanded revenues through cost-competitive vessel allocation for contracts of affreightment involving coal and fertilizers. As a result, shipping revenues for the division totaled ¥5,619 million.

With the addition of ¥714 million in revenues from other shipping divisions, total shipping revenues from the shipping business amounted to ¥21,465 million, a 6.7% year-on-year increase. However, operating profit decreased by 7.6% to ¥3,480 million due to rising shipping-related expenses, such as foreign crew expenses and repair expenses, surging fuel oil prices, and the effects of a stronger yen.

b) Real Estate Business

In the first quarter, the rise in official land prices in the three major cities of Tokyo, Osaka, and Nagoya seen up until last year has begun to attenuate. In the lease building market, vacancies in central Tokyo increased slightly, but supply remains low and increased little this quarter, so high rent levels have been maintained.

With regards to the Group's real estate business, in the lease building division, although tenant rents have been revised upward, tenants have left the Iino Building as rebuilding plans are carried out, leading to a decline in rental income. As a result, net sales for the division totaled ¥1,191 million.

In the real estate-related business division, increased sales for design and retouching services contributed significantly to an overall increase in sales for the photo studio business. We are also working to increase in sales related to overseas business, and the London office of a studio rental company was converted to a branch store in June this year. As a result of the above, net sales for the division amounted to ¥310 million.

As a result, total revenues from the real estate business totaled ¥1,502 million, a year-on-year decline of 38.6%, and operating profit was ¥250 million, a 73.5% decline.

c) Retail Business

The petroleum retail business saw retail prices remain high due to the surge in crude oil prices, and as a result, revenues for the division increased by 5.9% year-on-year to ¥421 million. However, consumers holding off on purchases and other factors resulted

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in an operating loss of ¥9 million, in contrast with operating profit of ¥5 million for the first quarter last year.

2. Consolidated Financial Position

1) Assets, Liabilities, and Capital

Total assets at the end of the first quarter stood at ¥180,723 million, an increase of ¥4,495 million from the end of last fiscal year. This is primarily due to an increase in fixed assets due to capital investments in vessels and an increase in market values of investment securities.

Total liabilities at the end of the quarter totaled ¥126,154 million, an increase of ¥2,517 million from the end of last fiscal year. This is primarily due to an increase in debt due to capital investments in vessels.

Net assets stood at ¥54,570 million, an increase of ¥1,978 million from the end of last fiscal year. This is primarily due to an increase in first-quarter net income and an increase in net unrealized gains on securities. As a result, the shareholder's equity ratio was 30.1%, an increase of 0.4% from the end of last fiscal year, and net assets per share increased ¥19.1 to ¥496.2.

2) Cash Flows

Net cash used in operating activities totaled ¥662 million, in contrast to the ¥2,569 million provided by operating activities in the first quarter last year. This primarily reflected first quarter net income before taxes of ¥3,985 million, fixed asset depreciation of ¥2,000 million, corporate tax payments of ¥2,162 million, and a ¥1,871 million decrease in accounts payable.

Net cash used in investing activities totaled ¥4,368 million, in contrast with the ¥1,491 million provided by investing activities in the first quarter last year. This is primarily reflected by the expenditure of ¥6,146 million in the acquisition of fixed assets centered on capital investments in marine vessels.

Net cash provided by financing activities totaled ¥3,924 million, in contrast with the ¥1,940 million used in the first quarter last year. This is primarily reflected by a net increase in short-term borrowings of ¥6,136 million accompanying capital investments in marine vessels.

As a result of the above, cash and cash equivalents at the end of the quarter were ¥8,287 million, a decrease of ¥806 million compared with the first quarter last year, and a decrease of ¥950 million compared to the end of last fiscal year.

3. Outlook for the Full Year Ending March 31, 2009

Iino Kaiun achieved revenues and profit that exceed its initial forecast in the first quarter of the year ending March 31, 2009, due to higher-than-expected levels of activity in the bulk carrier market and the yen depreciating by more than was anticipated.

From the second quarter onward, we expect operating profit, recurring profit, and net income to exceed our initial forecasts due in part to favorable contract renewals in the first quarter, despite negative factors such as rising fuel oil prices.

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Forecast of Consolidated Earnings for the Year Ending March 31, 2009
(April 1, 2008 to March 31, 2009)

	(In million yen)							
	Second quarter				Full year			
	Initial forecast	Current forecast	Change	% change	Initial forecast	Current forecast	Change	% change
Revenues	44,500	49,600	5,100	11.5%	91,900	101,100	9,200	10.0%
Operating profit	5,400	6,600	1,200	22.2%	12,400	13,700	1,300	10.5%
Recurring profit	4,700	6,000	1,300	27.7%	11,300	12,700	1,400	12.4%
Net income	3,300	4,100	800	24.2%	7,500	8,300	800	10.7%

* Assumptions regarding foreign exchange rates and the Port of Singapore bunker price used for the initial forecasts released on May 8, 2008, and the current forecast are shown below.

	Initial forecast	Current forecast
Foreign exchange rate	1US\$ = ¥100	1US\$ = ¥105 (quarter 2) 1US\$ = ¥100 (quarter 3, 4)
Bunker price	US\$500 / MT	US\$750 / MT

4. Other Information

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

2. Use of simplified accounting methods and/or accounting methods specific to the preparation of quarterly consolidated financial statements

1) Simplified accounting methods

i) Inventory valuation

Book values of inventory assets are reduced by estimating the net realizable value.

This is done only for inventory assets for which there is a clear decline in profitability.

ii) Depreciation of fixed assets

The value of depreciation on fixed assets subject to the straight-line method for the consolidated fiscal year is allocated to quarterly periods in accordance with the length of those periods.

2) Accounting methods specific to the preparation of quarterly consolidated financial statements

The Company calculates tax liabilities as follows. A reasonable estimate is produced of the effective tax rate after apply tax-effect accounting to net income before taxes for the consolidated fiscal year under review, which includes the consolidated first quarter under review. This estimated effective tax rate is multiplied by net income before taxes to determine tax liabilities.

The value of income tax adjustments is included in income taxes in the financial statements.

3. Changes in accounting principles, procedures, and methods of disclosure used in the preparation of consolidated financial statements for the quarter under review

1) Effective this financial year, the Company has adopted the "Accounting Standard for Quarterly Financial Reporting" (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the "Guidance on Accounting Standard for Quarterly

Financial Reporting" (ASBJ Guidance No. 14). The consolidated financial statements for the three months ended June 30, 2008, were prepared based on the "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."

- 2) Inventories held for sale in the ordinary course of business: The cost of real estate held for sale was previously determined with the identified-cost method. The cost of other inventories was determined on a FIFO basis. Effective this first quarter under review, the Company has adopted the "Accounting Standards for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006). Accordingly, the cost of real estate held for sale will be determined with the identified-cost method (with balance sheet values are reduced to reflect declining profitability), and the cost of other inventories will be determined on a FIFO basis (with balance sheet values reduced to reflect declining profitability).

As a result, quarterly net income before taxes decreased ¥76 million.

- 3) Effective this first quarter under review, the Company has adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Statement Guidance No. 16). Non-ownership-transfer finance leases will now be treated as sales transactions. The effect of the changes is negligible.

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Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(In million yen)	
	As of June 30, 2008	As of March 31, 2008
Assets		
Current assets		
Cash and deposits	8,287	9,237
Notes and accounts receivable	5,950	5,679
Supplies	2,550	2,149
Merchandise	88	76
Real estate held for sale	358	433
Deferred and prepaid expenses	1,559	1,502
Deferred tax assets	3,594	3,880
Other current assets	2,582	1,750
Allowance for doubtful accounts	(45)	(36)
Total current assets	24,922	24,670
Fixed assets		
Tangible fixed assets		
Vessels, net	61,918	61,435
Buildings and structures, net	12,669	12,825
Land	39,097	39,097
Construction in progress	23,520	20,685
Other tangible fixed assets, net	385	418
Total tangible fixed assets	137,589	134,460
Intangible fixed assets		
Telephone subscription rights	9	9
Other intangible fixed assets	585	598
Total intangible fixed assets	594	607
Investments and other assets		
Investment securities	15,356	13,520
Long-term loans	127	125
Other long-term assets	2,258	2,970
Allowance for doubtful accounts	(124)	(124)
Total investments and other assets	17,617	16,491
Total fixed assets	155,801	151,558
Total assets	180,723	176,228

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	(In million yen)	
	As of June 30, 2008	As of March 31, 2008
Liabilities		
Current liabilities		
Accounts payable	8,783	10,655
Current portion of bonds	1,100	100
Short-term borrowings	35,046	29,599
Accrued expenses	378	390
Income taxes payable	1,552	2,148
Advances received	2,058	1,882
Reserve for bonuses	105	384
Leasehold deposits received	469	1,349
Other current liabilities	1,161	994
Total current liabilities	<u>50,652</u>	<u>47,501</u>
Fixed liabilities		
Bonds	300	1,300
Long-term borrowings	67,364	67,050
Reserve for employees' retirement benefits	1,429	1,445
Reserve for directors' retirement benefits	107	105
Reserve for special repairs	690	574
Leasehold deposits received	2,494	2,574
Deferred tax liabilities	1,015	679
Other fixed liabilities	2,102	2,409
Total fixed liabilities	<u>75,501</u>	<u>76,136</u>
Total liabilities	<u>126,154</u>	<u>123,637</u>
Net assets		
Shareholders' capital		
Common stock	13,092	13,092
Additional paid-in capital	6,431	6,431
Retained earnings	32,646	31,237
Treasury stock	(468)	(467)
Total shareholders' capital	<u>51,701</u>	<u>50,293</u>
Valuation and translation adjustments		
Net unrealized gains (losses) on other securities	1,522	804
Deferred hedge gains (losses)	1,143	1,171
Foreign currency translation adjustments	(4)	4
Total valuation and translation adjustments	<u>2,662</u>	<u>1,979</u>
Minority interests	207	319
Total net assets	<u>54,570</u>	<u>52,591</u>
Total liabilities and net assets	<u>180,723</u>	<u>176,228</u>

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(2) Consolidated Statements of Operations

	(In million yen)
	Three months ended June 30, 2008
Revenues	23,324
Cost of sales	17,903
Gross profit	5,421
Selling, general and administrative expenses	1,701
Operating profit	3,720
Non-operating profit	
Interest profit	56
Dividend profit	113
Foreign exchange gain	224
Equity income of non-consolidated subsidiaries and affiliates	103
Other non-operating income	11
Total non-operating income	507
Non-operating expenses	
Interest expenses	620
Other non-operating income	63
Total non-operating income	683
Recurring profit	3,545
Extraordinary gains	
Gain on sale of fixed assets	604
Gain on reversal of reserve for special repairs	8
Total extraordinary gains	612
Extraordinary losses	
Loss on reconstruction of office building	95
Loss on write-down of real estate for sale	76
Total extraordinary losses	171
Income before income taxes	3,985
Income tax, inhabitants tax and enterprise tax	1,585
Minority interests in income (loss)	6
Net income	2,395

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(3) Consolidated Statements of Cash Flows

	(In million yen)
	Three months ended June 30, 2008
Cash flows from operating activities	
Income before income taxes	3,985
Depreciation and amortization	2,000
Equity (income) loss of non-consolidated subsidiaries and affiliates	(103)
Increase (decrease) in reserve for employees' retirement benefits	(16)
Interest and dividend income	(169)
Interest expenses	620
(Gains) losses on sale of tangible and intangible fixed assets	(604)
(Increase) decrease in accounts receivable, trade	(271)
Increase (decrease) in accounts payable, trade	(1,871)
Other	(1,598)
Sub total	<u>1,973</u>
Interest and dividend received	164
Interest paid	(637)
Income taxes paid	(2,162)
Net cash provided by (used in) operating activities	<u>(662)</u>
Cash flows from investing activities	
Purchase of tangible and intangible fixed assets	(6,146)
Sale of tangible and intangible fixed assets	1,717
Purchase of investment securities	(2)
Other	63
Net cash provided by (used in) investing activities	<u>(4,368)</u>
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	6,136
Proceeds from long-term borrowings	1,994
Repayment of long-term borrowings	(3,187)
Proceeds of treasury stock	0
Payments for treasury stock	(1)
Cash dividends paid	(986)
Cash dividends paid to minority shareholders	(2)
Repayment of lease obligations	(30)
Net cash provided by (used in) financing activities	<u>3,924</u>
Effect of exchange rate change on cash and cash equivalents	156
Increase (decrease) in cash and cash equivalents	<u>(950)</u>
Cash and cash equivalents at the beginning of the period	<u>9,237</u>
Cash and cash equivalents at the end of the period	<u>8,287</u>

(4) Note on the Going Concern Assumption

Not applicable

(5) Segment Information**a. Business Segment Information**

Three months ended June 30, 2008 (April 1, 2008 to June 30, 2008)

(In million yen)

	Shipping	Real estate	Retail distribution	Total	Elimination or corporate	Consolidated
I. Revenues:						
(1) External sales	21,465	1,494	365	23,324	-	23,324
(2) Inter-segment sales	-	7	56	63	(63)	-
Total	21,465	1,502	421	23,387	(63)	23,324
Operating profit/loss	3,480	250	(9)	3,720	(0)	3,720

Notes:

1. Classification of business segment

The Company's businesses are classified into shipping, real estate and retail distribution segments based on Japan Standard Industry Classification.

2. Business in each segment

Segment	Main business content
Shipping	Overseas shipping, domestic shipping, leasing, ship management
Real estate	Ownership, rental, and administration of real estate; design, control, and execution of building works; operation of photo studios
Retail distribution	Sale of oil such as gasoline

b. Geographic segment information

Geographic segment information is not provided herein as overseas subsidiaries account for less than 10% of total consolidated sales and total consolidated assets.

c. Overseas Sales

Three months ended June 30, 2008 (April 1, 2008 to June 30, 2008)

(In million yen)

		North America	Middle East	Asia, Oceania	Other	Total
I	Overseas sales	1,286	8,313	5,971	3,109	18,679
II	Consolidated revenues					23,324
III	Ratio of overseas sales to total consolidated revenues	5.5%	35.6%	25.6%	13.3%	80.0%

Notes:

- Overseas sales include overseas shipping sales of the Company and its consolidated subsidiaries in Japan and the sales of overseas consolidated subsidiaries (excluding inter-segment sales).
- Geographic segmentation is based on geographic proximity.
- Major countries or regions in each segment are as follows:
 - North America: U.S., Canada
 - Middle East: Saudi Arabia, Oman, etc.
 - Asia, Oceania: Australia, Malaysia, Indonesia, India, etc.
 - Other areas: Europe, Africa, etc.

(6) Note on Significant Changes in the Amount of Shareholders' Equity

Not applicable

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For Reference

Financial Statements and Other Information for the Three Months Ended June 30, 2007

(1) (Condensed) Consolidated Statements of Operations (April 1, 2007 to June 30, 2007)

(In million yen)

	Three months ended June 30, 2007
I Revenues	22,886
I I Cost of sales	16,672
Gross profit	6,214
II I Selling, general and administrative expenses	1,500
Operating profit	4,714
IV Non-operating profit	1,080
Interest and dividend profit	576
Other	504
V Non-operating expenses	701
Interest expenses	673
Other	28
Ordinary profit	5,093
VI Extraordinary gains	88
VII Extraordinary losses	2,343
Loss on reconstruction of office building	2,343
Other	0
Income before income taxes	2,838
Income tax, inhabitants tax and enterprise tax	1,081
Minority interests in income (loss)	9
Net income	1,748

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(2) (Condensed) Consolidated Statements of Cash Flows (April 1, 2007 to June 30, 2007)

	(In million yen)
	Three months ended June 30, 2007
I Cash flows from operating activities	
Income before income taxes	2,838
Depreciation and amortization	1,991
Equity income of non-consolidated subsidiaries and affiliates	(47)
Increase (decrease) in reserve for employees' retirement benefits	(18)
Increase (decrease) in reserve for directors' retirement benefits	(2)
Interest and dividend income	(576)
Interest expenses	673
Gains on sale of tangible and intangible fixed assets	(23)
(Increase) decrease in accounts receivable, trade	(726)
Increase (decrease) in accounts payable, trade	1,467
Other	(529)
Sub total	5,048
Interest and dividend received	572
Interest paid	(708)
Income taxes paid	(2,343)
Net cash provided by (used in) operating activities	2,569
II Cash flows from investing activities	
Purchase of tangible and intangible fixed assets	(3,261)
Sale of tangible and intangible fixed assets	2,550
Purchase of investment securities	(141)
Sale and redemption of investment securities	2,064
Other	279
Net cash provided by (used in) investing activities	1,491
III Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	(4)
Proceeds from short-term borrowings	1,000
Repayment of long-term borrowings	(1,945)
Proceeds of treasury stock	0
Payments for treasury stock	(3)
Cash dividends paid	(986)
Cash dividends paid to minority shareholders	(2)
Net cash provided by (used in) financing activities	(1,940)
IV Effect of exchange rate change on cash and cash equivalents	70
V Increase (decrease) in cash and cash equivalents	2,190
VI Cash and cash equivalents at the beginning of the period	6,890
VII Increase in cash and cash equivalents due to change in scope of consolidation	13
VIII Cash and cash equivalents at the end of the period	9,093

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(3) Segment Information

a. Business Segment Information

Three months ended June 30, 2007 (April 1, 2007 to June 30, 2007)

(In million yen)

	Shipping	Real estate	Retail distribution	Total	Elimination or corporate	Consolidated
I. Revenues:						
(1) External sales	20,119	2,411	356	22,886	-	22,886
(2) Inter-segment sales	-	34	42	76	(76)	-
Total	20,119	2,445	398	22,962	(76)	22,886
Operating expenses	16,352	1,503	393	18,248	(76)	18,172
Operating profit	3,767	942	5	4,714	-	4,714

b. Geographic segment information

Three months ended June 30, 2007 (April 1, 2007 to June 30, 2007)

Geographic segment information is not provided herein as overseas subsidiaries account for less than 10% of total consolidated sales and total consolidated assets.