

**Non-Consolidated Financial Results ( Unaudited )**
**Five-Year Summary**

(Thousands of yen)

※	2003	2004	2005	2006	2007
<b>Results</b>					
Net sales	55,056,122	55,957,361	55,636,685	51,657,883	48,013,435
(% increase/decrease)	[0.6%]	[1.6%]	[-0.6%]	[-7.2%]	[-7.1%]
Franchisees	41,491,527	40,986,858	41,263,105	43,140,825	41,591,248
Company-owned stores	12,037,366	13,434,673	12,224,964	6,346,176	4,252,315
Other operating income	1,527,227	1,535,829	2,148,613	2,170,882	2,169,871
Cost of sales	33,229,375	32,824,800	32,491,718	31,975,324	30,796,355
Gross profit on sales	21,826,746	23,132,561	23,144,967	19,682,558	17,217,079
Selling, general and administrative expenses	20,057,929	20,954,069	20,654,506	16,807,893	15,350,649
Operating income	1,768,817	2,178,491	2,490,460	2,874,665	1,866,430
Ordinary income	2,089,688	2,501,143	2,944,252	3,687,488	2,697,708
Income before income taxes	2,270,102	1,974,699	-9,007,022	3,563,745	1,240,317
Net income	1,133,740	1,011,198	-7,446,395	1,806,309	170,704
<b>Per Share of Common Stock</b>					
Net income	35.60	31.71	-238.57	58.25	5.68
Cash dividends	20.00	22.00	24.00	26.00	26.00
Net assets	1,382.75	1,404.54	1,140.89	1,156.86	1,137.84
Payout ratio	55.6%	69.4%	-	44.6%	458%
<b>Financial Position</b>					
Current assets	21,028,026	17,056,247	17,872,229	15,546,015	14,760,208
Total liabilities and net assets	54,229,818	54,527,086	46,746,650	43,395,839	42,737,751
Current liabilities	8,812,837	8,839,399	9,773,731	6,665,385	6,171,569
Total net assets	43,587,471	44,248,542	35,334,712	34,717,741	33,757,523
<b>Management Indices</b>					
Ratio of operating income to net sales	3.2%	3.9%	4.5%	5.6%	3.9%
Ratio of ordinary income to net sales	3.8%	4.5%	5.3%	7.1%	5.6%
Return on sales (ROS)	2.1%	1.8%	-13.4%	3.5%	0.4%
Ratio of ordinary income to total assets	3.9%	4.6%	5.8%	8.2%	6.3%
Return on equity (ROE)	2.6%	2.3%	-18.7%	5.2%	0.5%
Shareholders' equity ratio	80.4%	81.1%	75.6%	80.0%	80.1%

※ Fiscal years ended March 31

### Non-Consolidated Balance Sheets ( Unaudited )

March 31, 2007 and 2006

	2007	2006
<Assets>		
<b>Current Assets</b>	14,760,208	15,546,015
Cash and deposits	3,022,534	2,740,259
Accounts receivable	4,045,099	4,314,547
Marketable securities	1,924,404	2,348,432
Merchandise, Supplies	2,549,825	2,688,971
Deferred tax assets	14,687	18,919
Short-term loans receivable	2,050,323	1,760,389
Other	1,467,925	2,020,699
Allowance for doubtful accounts	-314,592	-346,204

<b>Fixed Assets</b>	27,977,542	27,849,823
Property and Equipment	6,085,745	6,263,582
Buildings	3,216,760	3,402,747
Land	1,871,685	1,875,328
Other	997,297	985,505
<b>Intangible Fixed Assets</b>	1,627,300	1,545,061
<b>Investments and Other Assets</b>	20,264,496	20,041,180
Investments in securities	3,920,647	5,543,978
Investments in affiliated companies	9,333,884	5,662,560
Deferred tax assets	239,795	404,288
Other	8,784,001	9,388,579
Allowance for doubtful accounts	-145,634	-214,229
Allowance for investment losses	-1,868,200	-744,000
<b>Total Assets</b>	42,737,751	43,395,839

	2007	2006
<Liabilities>		
<b>Current Liabilities</b>	6,171,569	6,665,385
Trade accounts payable	3,431,739	3,841,204
Income taxes payable	73,221	41,027
Consumption tax payable	—	97,949
Reserve for bonus payments	294,438	301,922
Other	2,372,168	2,383,280
<b>Fixed Liabilities</b>	2,288,756	2,012,712
Severance and retirement benefits for employees	0	5,425
Severance and retirement benefits for directors and corporate auditors	—	—
Provision for loss on guarantees	286,000	257,000
Other	2,002,755	1,750,286
<b>Total Liabilities</b>	8,460,326	8,678,098

<Shareholders' Equity>		
Common stock	11,412,845	11,412,845
Capital surplus	11,100,524	11,100,524
<b>Retained earnings</b>	14,159,858	14,817,229
Revenue reserves	798,649	798,649
Voluntary reserve	12,000,000	12,000,000
Retained earning brought forward	1,361,209	—
Unappropriated income for the year	—	2,018,580
Loss from revaluation of other securities	478,564	441,375
Treasury Stock	-2,915,704	-3,054,232
<b>Total net assets</b>	34,277,425	34,717,741
<b>Total liabilities and net assets</b>	42,737,751	43,395,839

**Non-Consolidated Statements of Operations ( Unaudited )**

March 31, 2008 and 2007

	<b>2007</b>	<b>2006</b>
Net sales	48,013,435	51,657,883
Cost of sales	30,796,355	31,975,324
Gross profit on sales	17,217,079	19,682,558
Selling, general and administrative expenses	15,350,649	16,807,893
Operating income	1,866,430	2,874,665
Non-operating income	2,935,630	2,997,707
Non-operating expenses	2,104,352	2,184,884
Ordinary income	2,697,708	3,687,488
Extraordinary gains	214,119	1,151,224
Extraordinary losses	1,671,510	1,274,967
Income before income taxes	1,240,317	3,563,745
Income taxes	36,047	46,332
Adjustments for taxes	1,033,565	1,711,104
Net income for the year	170,704	1,806,309
Balance brought forward from the previous term	—	656,945
Treasury stock disposal difference loss	—	41,524
Interim period dividends	—	403,150
Unappropriated income for the year	—	2,018,580

**Appropriation of Earnings ( Unaudited )**

March 31, 2007 and 2006

	<b>2007</b>	<b>2006</b>
Unappropriated income for the year	—	2,018,580
will be appropriated as follows:		
Dividends	—	389,964
Bonuses to directors	—	15,000
(of which, bonuses to auditors)	—	2,200
(per share)	—	13.00
Total	—	404,964
Balance carried forward to the following term	—	1,613,615

## Share Information

### Per Share Indicators ( Unaudited )

Fiscal years to March 31

(Yen)

	2003	2004	2005	2006	2007
Net income per share	35.60	31.71	-238.57	58.25	5.68
Shareholders' equity per share	1,382.75	1,404.54	1,140.89	1,156.86	1,137.84
Dividends per share	20.00	22.00	24.00	26.00	26.00
(Interim)	8.00	10.00	12.00	13.00	13.00
(Year end)	12.00	12.00	12.00	13.00	13.00

### Ownership and Distribution of share

Individuals	18,107,526 (56.5%)
Other corporations	5,858,681 (18.3%)
Banks	2,576,957 (8.0%)
Life insurance	2,359,957 (7.3%)
Own shares	1,921,233 (6.0%)
Foreign companies/individuals	993,231 (3.1%)
Securities companies	192,454(0.5%)
Other financial institutions	9,871 (0.0%)

### Distribution of Shares by Area

Kanto	21,589,228(67.4%)
Kinki	4,066,605 (12.7%)
Chubu	3,179,647(9.9%)
Kyushu	837,276 (2.6%)
Shikoku	800,950 (2.5%)
Chugoku	576,667 (1.8%)
Tohoku	371,576 (1.1%)
Hokkaido	212,209 (0.6%)
Overseas	375,752 (1.1%)

**Shareholder Status**

Number of shares authorized	101,610,000
Number of shares issued	32,009,910
Number of shareholders	24,711 (of which, unit holders: 24,482)

**Major Shareholders**

Name	Shares Held (thousands)	Voting Rights
KOBAI FOOD,Inc	1,400	4.6%
DUSKIN CO.,LTD.	1,343	4.4%
Nippon Life Insurance Company	1,214	4.0%
Nitto Co., Ltd.	829	2.7%
Bank of Tokyo-Mitsubishi UFJ	790	2.6%
Daido Life Insurance Company	618	2.0%
Yamazaki Baking Co.,Ltd.	591	1.9%
AIU Insurance Company ORD - 4	451	1.5%
Nippon Meat Packers,Inc.	431	1.4%
The Master Trust Bank of Japan,Ltd.(Trust Account)	360	1.2%

Treasury stock of 1,921 thousand shares was excluded from the above list due to non-voting rights. (as of March 31, 2007)

**【Special Benefit Plan for Shareholders】**

The Company issues coupon tickets to shareholders twice a year, which is applied to all stores of Mos Burger Group \* throughout Japan according to the number of shares held. \* Each store of Mos Burger Group: Mos Burger, Mother Leaf, Stephan Grill, Chirimen-tei, AEN, chef's V, etc. (some of stores are excluded from the subject of its coupon ticket)

**■Issue Date: June, November (planned)****■Eligible Shareholders for coupon ticket**

Coupon ticket is only for shareholders who hold more than one unit of shares(100shares). For June issue, shareholders who are registered on the Company's shareholders register as of the end of March each year will be subject to the issue.For November issue, shareholders who are registered on the Company's shareholders register as of the end of September each year will be subject to the issue.

**■Details of Special Benefit Plan**

100 shares or more - less than 500 shares·····¥1,000 worth of coupon ticket-a-year (¥500 worth coupon ticket×1 sheet×2 times)

500 shares or more - less than 1,000 shares·····¥6,000 worth coupon ticket-a-year (¥500 coupon ticket×6 sheets×2 times)

1,000 shares or more·····¥20,000 worth coupon ticket –a-year (¥500 coupon ticket×20 sheets×2 times)

**■Expiration Date**

For June issue – will be effective till the end of March of the following year.

For November issue – will be effective till the end of September of the following year.

**Consolidated Five-year Summary ( Unaudited )**

Fiscal years to March 31

(Thousands of yen)

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Net sales	65,668,290	58,675,779	59,345,939	58,216,912	59,890,823
Operating income	2,328,852	2,114,967	2,046,123	2,315,523	1,380,572
Ordinary income	2,604,808	2,521,773	2,615,928	3,194,795	2,190,977
Net income	1,058,733	1,087,365	-7,348,474	1,092,020	202,148
Total net assets	44,549,234	44,819,287	35,538,357	35,071,728	34,607,132
Total liabilities and net assets	57,523,715	56,776,018	48,336,544	46,139,035	46,568,412

**Business Segment Information ( Unaudited )**

(Thousands of yen)

	<b>MOS Burger Business</b>	<b>Restaurant Business</b>	<b>Other</b>	<b>Total</b>	<b>Corporate or Elimination</b>	<b>Consolidated</b>
I. Net Sales and Operating Income						
Net sales						
(1) External customers	56,889,241	2,099,067	902,514	59,890,823	-	59,890,823
(2) Inter-segment	142,688	2,552	897,284	1,042,524	-1,042,524	-
Total	57,031,929	2,101,619	1,799,798	60,933,348	-1,042,524	59,890,823
Operating expenses	55,687,362	2,216,734	1,648,085	59,552,182	-1,041,930	58,510,251
Operating income	1,344,567	-115,114	151,713	1,381,165	-593	1,380,572
II. Assets, Depreciation and Capital Expenditures						
Assets	41,500,696	1,347,140	6,813,747	49,661,585	-3,093,172	46,568,412
Depreciation	1,842,092	45,381	243,093	2,130,566	-	2,130,566
Capital expenditures	3,214,450	196,082	67,696	3,478,229	-	3,478,229

## Consolidated Subsidiaries

(Thousands of yen)

Subsidiary	Capitalization	Share	Principal Business Operations
M·H·S,INC.	10,000	100%	Food sanitation inspection
MOS CREDIT,INC.	300,000	100%	Financing
TOMOS, INC.	450,000	99.1%	Chirimentei Chinese-style restaurant
SHIKINA, INC.	220,000	100%	Japanese-style restaurant AEN
PARTNERSFOR,INC.	362,100	99.7%	MOS Burger in Hokkaido area
MOS FOOD SERVICES KYUSYU,INC.	350,000	100%	MOS Burger in Kyusyu area
MOS FOOD SERVICES TOHOKU, INC.	370,000	100%	MOS Burger in Hokkaido and Tohoku area
MOS FOOD SERVICES KANSAI,INC.	495,000	100%	MOS Burger in Kansai area
MOS FOOD SERVICES KITA-KANTO, INC.	400,000	100%	MOS Burger in Kita-kannto area
MOS FOOD SERVICES MINAMI-KANTO,INC.	475,000	100%	MOS Burger in Minami-kannto area
CREATE M'S,INC.	155,000	95.1%	MOS Burger in Tohoku area
MOS HUMAN ACADEMY,INC.	50,000	100%	Personnel Training
M·E·S,INC.	30,000	100%	Engage in restaurant maintenance works
FREXMOS,INC.	165,000	97.8%	MOS Burger in Chugoku and Shikoku area
Chef's V ,INC.	150,000	100%	chef's V Casual restaurant

**Consolidated Statements of Operations ( Unaudited )**

March 31, 2007 and 2006

(Thousands of yen)

	<b>2007</b>	<b>2006</b>
Net sales		
Net sales	59,890,823	58,216,912
Cost of sales	33,705,351	33,364,187
Gross profit on sales	26,185,472	24,852,725
Selling, general and administrative expenses	24,804,900	22,537,201
Operating income	1,380,572	2,315,523
Non-operating income	2,727,858	2,883,452
Interest earned	124,022	89,944
Dividend income	29,488	22,223
Marketable Securities income	-	-
Rent income	1,521,166	1,661,590
Campaign support funds	819,488	833,328
Investment return under the equity method	-	64,714
Miscellaneous income	233,692	211,650
Non-operating expenses	1,917,452	2,004,180
Interest expense	20,144	7,408
Rent expenses	1,727,246	1,781,519
Equity in loss of unconsolidated	31,498	-
Miscellaneous expenditures	138,563	215,253
Ordinary income	9	3,194,795
Extraordinary gains	184,223	1,034,823
Extraordinary losses	963,848	1,290,218
Income before income taxes	1,411,352	2,939,400
Income taxes	140,735	129,897
Adjustments for taxes	1,073,668	1,717,812
Minority interests	5,199	329
Net income	202,148	1,092,020