

# Financial and Business Results for the Nine Months Ended September 30, 2008

October 20, 2008

Company **ISB CORPORATION**  
 Stock Code 9702  
 Representative Itsuo Wakao, President  
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 Expected starting date of dividend payment:

Listed on the TSE 2  
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(Rounded down to million yen)

## 1. Consolidated results of operations for the nine months ended September 2008

(January 1, 2008 through September 30, 2008)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Sept. '08	9,302	(2.0)	75	(87.9)	86	(86.7)	30	(91.0)
Nine months ended Sept. '07	9,495	6.7	623	29.2	651	30.6	345	29.9
Year ended Dec. '07	13,084		886		924		466	

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended Sept. '08	7.36			
Nine months ended Sept. '07	80.23			
Year ended Dec. '07	108.44			

(2) Consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of Sept. '08	7,232		4,826		66.8		1,155.84	
As of Sept. '07	7,976		4,992		62.6		1,159.79	
As of Dec. '07	8,098		5,107		63.1		1,186.34	

(3) Consolidated results of cash flows

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and cash equivalents at end of period	
	Million yen		Million yen		Million yen		Million yen	
Nine months ended Sept. '08	371		228		(301)		2,036	
Nine months ended Sept. '07	27		(268)		(149)		1,756	
Year ended Dec. '07	19		(274)		(154)		1,737	

## 2. Forecast of consolidated financial results for the year ending December 2008

(January 1, 2008 through December 31, 2008)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Year ending Dec. '08	13,300	1.6	450	(49.2)	480	(48.1)	220	(52.9)	52.68	

## 3. Others

(1) Changes in significant subsidiary during the period (changes in specified subsidiary due to changes in the scope of consolidation): Yes

New subsidiary: 0 Excluded: 1

(2) Adoption of simplified accounting method: Yes

(3) Changes in accounting method compared to the recent fiscal year: Yes

(Reference) Summary of non-consolidated financial results

4. Results of operations for the nine months ended September 2008

(January 1, 2008 through September 30, 2008)

(1) Non-consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Sept. '08	8,629	0.7	380	(33.3)	395	(34.3)	58	(81.6)
Nine months ended Sept. '07	8,570	7.3	570	24.8	601	25.5	318	22.7
Year ended Dec. '07	11,893		863		907		468	

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended Sept. '08	13.90			
Nine months ended Sept. '07	73.91			
Year ended Dec. '07	108.76			

(2) Non-consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
Nine months ended Sept. '08	7,046		4,790		68.0		1,147.27	
Nine months ended Sept. '07	7,547		4,899		64.9		1,138.10	
Year ended Dec. '07	7,738		5,043		65.2		1,171.53	

5 . Forecast of non-consolidated financial results for the year ending December 2008

(January 1, 2008 through December 31, 2008)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Year ending Dec. '08	12,200	2.6	710	(17.8)	740	(18.5)	190	(59.4)	45.50	

\* **Explanation regarding appropriate use of business forecasts and other special instructions**

Above forecasts regarding future performance are based on information available at the time this report was prepared.

The forecasts embody uncertainties. Therefore, actual results may differ from the forecasts due to changes in business condition and other factors.