

## Consolidated Financial Results for Fiscal 2005, Ended December 31, 2005 (Translation of Japanese Flash Report, Released on February 13, 2006)

Company Name: RISA Partners Inc.

Stock Listing: Tokyo Stock Exchange (1st section)

Ticker: 8924

URL: <http://risa-p.com>

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Date of directors' meeting for financial results: February 13, 2006

### 1. Performance in Fiscal 2005 (from January 1, 2005 to December 31, 2005)

#### (1) Results

(Millions of yen, except for per share figures)

	Net Sales	Operating Income	Ordinary Income
Fiscal 2005	¥9,152 (102.2%)	¥2,812 (119.9%)	¥2,507 (125.3%)
Fiscal 2004	¥4,526 (66.7%)	¥1,278 (125.7%)	¥1,113 (91.0%)

	Net Income	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Fiscal 2005	¥1,379 (119.5%)	¥13,070.32	¥10,615.78
Fiscal 2004	¥628 (68.4%)	¥6,923.54	¥6,020.48

	Return on Equity	Ordinary Income / Total Assets	Ordinary Income Ratio
Fiscal 2005	20.1%	11.8%	27.4%
Fiscal 2004	18.3%	14.2%	24.6%

Notes: 1. Income (Loss) on investments based on equity method:

Fiscal 2005: ¥61 million

Fiscal 2004: ¥15 million

2. Weighted average number of shares outstanding

Fiscal 2005: 105,542 shares

Fiscal 2004: 90,761 shares

3. Changes in accounting methods: Not Applicable

4. Percentage figures shown in the net sales, operating income, ordinary income, and net income columns indicate year-on-year changes for those items.

(2) Financial Position

(Millions of yen, except for per share figures)

	Total Assets	Shareholders' Equity	Equity Ratio (%)	Shareholders' Equity per Share (Yen)
Fiscal 2005	¥30,438	¥7,734	25.4%	¥69,894.50
Fiscal 2004	¥12,018	¥5,994	49.9%	¥57,103.74

Notes: Number of shares issued and outstanding at end of the year

Fiscal 2005: 110,660 shares

Fiscal 2004: 104,968 shares

(3) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year-End
Fiscal 2005	¥(9,636)	¥(4,471)	¥15,409	¥6,028
Fiscal 2004	¥(1,527)	¥(1,531)	¥7,173	¥4,727

(4) Description of Consolidation and Scope of Application for Equity Method

Number of consolidated subsidiaries: 7

Number of non-consolidated subsidiaries to which equity method applies:—

Number of affiliates to which equity method applies: 5

(5) Changes in Consolidation and Scope of Application for Equity Method

Newly consolidated companies: 4

Excluded consolidated companies:

Newly included under equity method: 1

Excluded under equity method: —

**2. Projections for Fiscal 2006 (from January 1 to December 31, 2006)**

(Millions of yen)

	Net Sales	Ordinary Income	Net Income
1st Half of Fiscal 2006	¥6,800	¥1,019	¥591
Fiscal 2006	¥15,204	¥3,567	¥2,069

Reference: Projected net income per share (full year): ¥18,696.90

Note: The forecasts above are based on information available as of the date of publication and assumptions relating to uncertain factors that will affect future business performance as of the date of publication of this material. Actual performance may differ substantially due a variety of factors. Refer to page 6 of the accompanying materials for matters related to the above forecasts.

### 3. Business Performance and Financial Position

#### (1) Business Performance

During the current consolidated fiscal year (January 1 – December 31, 2005), despite such concerns as the rise in crude oil prices, the Japanese economy overall experienced a tone of recovery due to the strong performance of corporate earnings accompanied by an expansion in capital expenditure as well as a moderate upturn in private consumption in view of the asset effect, which included rising share prices.

Given this tone of recovery, the financial and real estate industries, which comprise RISA Partners' business territory, saw brisk progress in the disposal of non-performing loans (NPLs) by financial institutions. Regional financial institutions, in particular, vigorously promoted measures aimed at corporate restructuring in light of the Action Program concerning Enhancement of Relationship Banking Functions, which the Financial Services Agency unveiled on March 29, 2005. Moreover, the business environment in the real estate market was also positive for RISA Partners because of the persistently strong trend of real estate disposal aimed at improving balance sheet soundness and restructuring of operations. Business opportunities are also expanding to cater to the needs of investors who have a strong interest in real estate-related products due to the persistence of low interest rates.

In this business environment, we at RISA Partners actively pursued business opportunities in all our business segments, chiefly in the securitization of loan receivables and real estate and corporate restructuring, and we have been successful in steadily improving our overall performance.

As a result, we recorded sales of ¥9,152,531 thousand, up 102.2% year on year, ordinary income of ¥2,507,582 thousand, up 125.3%, and net income of ¥1,379,468 thousand, up 119.5%, achieving substantial growth in revenue and profit with both sales and income more than doubling compared to the previous year.

Our performance by business segment was as below.

#### *Due Diligence*

The due diligence business segment is involved in operations to calculate appropriate values for real estate, loan receivables and corporations with an emphasis on cash flows.

The current consolidated fiscal year saw the continued disposal of NPLs by financial institutions as well as brisk moves toward corporate restructuring, so demand in this business segment was also robust. However, order trends in the segment fluctuate significantly, and, in particular, order volume in the previous year experienced an unusually large expansion. In addition, we strategically directed some of the segment's capacity to in-house operations in order to accommodate an expansion in the volume of work related to corporate restructuring and investment in loan receivables. As a result, sales from external orders were ¥419,441 thousand, down 22.4% year on year and operating income was ¥210,121 thousand, down 30.4%.

#### *Asset Management*

RISA Partners' asset management business segment manages loan portfolios in which clients and the RISA Partners group have invested, engaging in operations to maximize investment returns. In our loan servicing operations, in addition to our partnership with IR Loan Servicing, an affiliated company, we made a strategic acquisition of Yashio Servicer from Ashigin Financial Group on April 11, 2005 in order to further boost our corporate restructuring functions. Yashio Servicer has created a structure that enables delivery of comprehensive servicing functions by the group overall by collaborating with IR Loan Servicing, which has strengths in personal and unsecured loan receivables, as well as establishing a loan management and servicing system with regional specialization that is focused on corporate restructuring.

During the current consolidated fiscal year, consignment and purchasing operations as well as servicing at IR Loan Servicing were robust. At the same time, Yashio Servicer also made a contribution. Purchased loan receivables acquired on RISA Partners' own account also recorded steady gains on collection. As a result, the segment recorded substantial growth in revenue with sales of ¥1,113,368 thousand, up 47.5% year on year. However, profits were on a par with the previous year with operating income of ¥699,400 thousand,

down 3.7% year on year, due to such factors as the burden of amortization of goodwill incurred from the acquisition of Yashio Servicer.

#### *Real Estate Investment*

In the real estate investment business segment, RISA Partners engages in proprietary real estate investment based on its own judgment as well as taking part in cooperative real estate investment in collaboration with Soros Real Estate Investors and its successor fund Cypress Grove International. In particular, we have been actively deploying strategic investment activities such as the purchase of Shin-kabukiza Co., Ltd. (Osaka City, Osaka Prefecture) in our cooperative investments, taking advantage of the fact that investment is not restricted to real estate hard assets. As a result, we have succeeded in steadily building up the balance of our investment assets, and the scale of investment had grown to reach more than ¥120 billion (including done but not yet settled deals) as of December 31, 2005.

Furthermore, during the current consolidated fiscal year, RISA Partners' proprietary real estate investment steadily secured earnings that exceeded initial projections. At the same time, we were also successful in securing earnings from the securitization of JASMAC Sakenosakana-koji Hakata, a restaurant and bar building developed in conjunction with JASMAC Property Management, a business partner. As a result, the segment recorded substantial revenue and profit growth with sales of ¥5,532,260 thousand, up 101.1% year on year, and operating income stood at ¥1,281,558 thousand, up 161.1%.

#### *Real Estate Advisory*

The real estate advisory business segment includes real estate management, asset management, property management, real estate brokerage, and consulting. In particular, RISA Partners manages an investment portfolio of cooperative investments with Soros Real Estate Investors and Cypress Grove International.

During the current consolidated fiscal year, as well as securing stable asset management fees in our cooperative investment operations, we also succeeded in securing incentive fees for some of our real estate investments accompanying the achievement of substantial increases in value. Furthermore, our traditional services, such as brokerage commissions, were also steady. As a result, the segment recorded substantial revenue and profit growth with sales of ¥1,175,096 thousand, up 374.4% year on year, and operating income of ¥809,121 thousand, up 405.7%.

#### *Corporate Advisory*

The corporate advisory business segment is primarily involved in investment banking operations, which mainly consist of corporate restructuring and M&A advisory services, investment in loan receivables and shares that accompanies assistance for restructuring, and the management and operation of corporate restructuring funds.

Our operations related to corporate restructuring assistance funds have grown considerably with the growth of corporate restructuring needs at regional financial institutions. In addition to business partnerships with 33 financial institutions (includes one financial institution with which it is planned to conclude a partnership agreement), RISA Partners had established 14 corporate restructuring assistance funds as of December 31, 2005. This included joint public/private funds in Ehime Prefecture and Saitama Prefecture. Earnings are growing steadily as some of our corporate restructuring assistance funds secure an investment performance that far exceeds initial projections with the completion of restructuring at the target companies.

Moreover, in our work with Musashino Kogyo Co., Ltd., which is listed on the 2nd Section of the Tokyo Stock Exchange, we have not only been involved in financial reconstruction involving the securitization of real estate, but have also taken on full-scale investment banking operations, including strategic business partnership and capital participation.

As a result of the foregoing, fee income and investment dividends were steady, and the corporate advisory segment recorded substantial growth with sales of ¥912,365 thousand, up 293.2% year on year, and operating income of ¥467,495 thousand, up 313.8% year on year.

## (2) Financial Position

### 1) Cash Flows in the Current Consolidated Fiscal Year

Consolidated cash and cash equivalents during the current consolidated fiscal year (“Funds” below) rose ¥1,300,984 thousand compared to the end of the previous fiscal year, standing at ¥6,028,926 thousand at the end of the current consolidated fiscal year. This was a result of income before income taxes of ¥2,380,272 thousand and fund procurement through borrowing from financial institutions and bond issuance despite expenditure due to an increase in inventory with the acquisition of real estate for sale and the increase in the acquisition of purchased loan receivables.

Cash flows and their main components during the current consolidated fiscal year were as follows.

#### *Cash flows from operating activities*

Funds used in operating activities stood at ¥9,636,245 thousand, up 530.9% compared to the previous fiscal year.

Despite recording ¥2,380,272 thousand in income before income taxes, this resulted from major expenditure due to an increase in inventory with the acquisition of real estate for sale and an increase in purchased loan receivables acquired either directly or through corporate restructuring funds.

#### *Cash flows from investing activities*

Funds used in investing activities stood at ¥4,471,876 thousand, up 192.0% compared to the previous fiscal year.

Although we had dividend for the amount of ¥3,098,822 from silent partnerships we invested in, this was mainly due to investments in silent partnerships for the real estate investment and corporate restructuring funds established during the current fiscal year, the expenditure for the acquisition of Yashio Servicer, which became a new consolidated subsidiary, and expenditure for the acquisition of tangible fixed assets and investment securities.

#### *Cash flows from financial activities*

Funds generated by financial activities stood at ¥15,409,106 thousand, up 114.8% compared to the previous fiscal year.

This was the result of fund procurement using syndicated loans and private bonds in addition to the issuance of ¥5 billion yen-denominated convertible bond type notes with stock acquisition rights to provide funds for real estate investment, investment in loan receivables, and investments in silent partnerships for real estate investment and corporate restructuring funds.

### 2) Cash Flow Indicator Trends

	Fiscal 2004 (January 1–December 31, 2004)	Fiscal 2005 (January 1–December 31, 2005)
Equity Ratio	49.9%	25.4%
Shareholders' Equity Ratio based on Market Price	230.6%	201.8%
Number of Years to Repay Obligations	-	-
Interest Coverage Ratio	-	-

Notes:

1) Indicators are calculated using the formulas below using consolidated figures.

Equity ratio: Shareholders' equity / total assets

Shareholders' equity ratio based on market price: capitalization at market price/total assets

Number of years to repay obligations: interest bearing debt – operating cash flow

Interest coverage ratio: operating cash flow/interest payments

2) Operating cash flow used for cash flow. Interest bearing debt covers all interest bearing debt out of the liabilities recorded on the consolidated balance sheets.

3) Operating cash flows were negative in each of the periods ended December 2004 and December 2005, so the number of years to repay obligations and the interest coverage ratio are not recorded.

### (3) Outlook for the Current Year

During the next fiscal year, we believe that the trend of recovery in the Japanese economy will be maintained overall, and the disposal of NPLs and real estate investment are expected to remain brisk. At RISA Partners, we are anticipating a further expansion in business opportunities in each of our business segments related to the securitization of loan receivables and real estate and corporate restructuring as we widen our customer base backed by the improvement in our creditworthiness that goes with listing our shares on the 1st Section of the Tokyo Stock Exchange.

The RISA Partners group implemented changes to the group and its organization on January 4, 2006 with the objective of taking maximum advantage of these business opportunities and seeking further growth. In the future, RISA Partners itself will operate business with priority on investment and fund operations focused on real estate, loan receivables and companies, and investment banking operations. Moreover, we will enhance functions such as risk management and organizational management to adapt to the expansion in the scale of proprietary investment, group organization and personnel that will accompany this growth in our business activities.

Meanwhile, we have centralized our advisory functions, including due diligence operations, consulting, and M&A advisory services, in RIFAS, Inc., a strategic subsidiary, which is wholly owned by RISA Partners, with the objective of developing even greater specialization and sophistication in the advisory functions of the RISA Partners group. Furthermore, we have also established Good Resort K.K., as a subsidiary under RIFAS, Inc., with the objective of assisting in the restructuring and operation of hotels and ryokan (Japanese inns) in a bid to further extend the functions of our group.

RISA Partners anticipates that it will steadily secure business opportunities as a result of the foregoing, and forecasts sales of ¥15,204 million, ordinary income of ¥3,567 million and net income of ¥2,069 million in its financial results for the next fiscal year.

Consolidated Financial Results Forecasts for the Year Ending December 2006 (January 1 – December 31, 2006)

	Net Sales	Ordinary Income	Net Income
1st Half of Fiscal 2006	¥6,800	¥1,019	¥591
Fiscal 2006	¥15,204	¥3,567	¥2,069

Reference: Forecast net income per share (full year): ¥18,696.90

## Consolidated Balance Sheets

(¥ thousand)

Items	Period		Fiscal 2004		Increase/ (Decrease) over
			(at December 31, 2004)		Fiscal 2005
					(December 31, 2005)
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and bank deposits	4,747,542		6,048,526		
Notes and accounts receivable, trade	206,375		888,571		
Inventories	1,931,730		7,091,345		
Purchased non-performing loans	1,669,190		7,588,568		
Deferred tax assets	36,901		99,783		
Other current assets	270,858		648,549		
Allowance for doubtful accounts	(7,363)		( 13,526)		
<b>Total Current Assets</b>	<b>8,855,237</b>	<b>73.7</b>	<b>22,351,818</b>	<b>73.4</b>	<b>13,496,581</b>
<b>Fixed Assets</b>					
<b>Property and Equipment</b>					
Buildings and structures	321,236		378,465		
Land	1,261,884		1,261,884		
Others	44,871		383,815		
<b>Total Property and Equipment</b>	<b>1,627,992</b>	<b>13.5</b>	<b>2,024,165</b>	<b>6.6</b>	<b>396,173</b>
<b>Intangible Fixed Assets</b>					
Software	2,906		28,046		
Amortization of Consolidation adjustments account	-		326,199		
Others	-		186		
<b>Total Intangible Fixed assets</b>	<b>2,906</b>	<b>0.0</b>	<b>354,433</b>	<b>1.2</b>	<b>351,527</b>
<b>Investments and Other Assets</b>					
Investments in securities	1,347,908		4,745,802		
Deferred tax assets	-		3,908		
Other assets	184,934		957,818		
<b>Total Investments and Other Assets</b>	<b>1,532,843</b>	<b>12.8</b>	<b>5,707,529</b>	<b>18.8</b>	<b>4,170,777</b>
<b>Total Fixed Assets</b>	<b>3,163,742</b>	<b>26.3</b>	<b>8,086,128</b>	<b>26.6</b>	<b>4,918,477</b>
<b>Total Assets</b>	<b><u>12,018,979</u></b>	<b><u>100.0</u></b>	<b><u>30,437,946</u></b>	<b><u>100.0</u></b>	<b><u>18,418,967</u></b>

(¥ thousand)

Items	Fiscal 2004 (at December 31, 2004)		Fiscal 2005 (at December 31, 2005)		Increase/ (Decrease) over Fiscal 2004
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current Liabilities</b>					
Notes and accounts payable – trade	20,828		6,800		
Short-term borrowings	3,136,793		6,650,740		
Income taxes payable	421,493		847,547		
Other current liabilities	372,069		1,958,046		
<b>Total Current Liabilities</b>	<b>3,951,183</b>	<b>32.8</b>	<b>9,463,134</b>	<b>31.1</b>	<b>5,511,951</b>
<b>Long-term Liabilities</b>					
Corporate bond	130,000		6,680,000		
Long-term debt	1,831,941		6,335,040		
Reserve for employees' retirement benefits	-		9,668		
Deferred tax liabilities	-		62,963		
Others	103,386		121,185		
<b>Total Long-term Liabilities</b>	<b>2,065,328</b>	<b>17.2</b>	<b>13,208,856</b>	<b>43.4</b>	<b>11,143,914</b>
<b>Total Liabilities</b>	<b>6,016,511</b>	<b>50.0</b>	<b>22,671,990</b>	<b>74.5</b>	<b>16,655,866</b>
<b>Minority Interests</b>					
Minority Interests	8,401	0.1	31,429	0.1	
<b>Shareholders' Equity</b>					
Common stock	2,339,789	19.5	2,471,747	8.1	131,957
Capital surplus	2,477,039	20.6	2,608,997	8.6	131,957
Retained earnings	1,177,236	9.8	2,556,704	8.4	1,379,468
Net unrealized gain on other securities	-	-	97,771	0.3	97,771
Treasury stock	-	-	(693)	(0.0)	(693)
<b>Total Shareholders' Equity</b>	<b>5,994,065</b>	<b>49.9</b>	<b>7,734,526</b>	<b>27.7</b>	<b>1,740,461</b>
<b>Total Liabilities, Minority Interests and Shareholders' Equity</b>	<b><u>12,018,979</u></b>	<b><u>100.0</u></b>	<b><u>30,437,946</u></b>	<b><u>100.0</u></b>	<b><u>18,418,967</u></b>

## Consolidated Statements of Income

(¥ thousand)

Period Items	Fiscal 2004 (January 1– December 31, 2004)		Fiscal 2005 (January 1– December 31, 2005)		Increase/ (Decrease) over Fiscal 2004
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount
<b>Net Sales</b>	<b>4,526,565</b>	<b>100.0</b>	<b>9,152,531</b>	<b>100.0</b>	<b>4,625,966</b>
<b>Cost of Sales</b>	2,359,362	52.1	4,619,554	50.5	2,260,192
Gross Profit	2,167,202	47.9	4,532,977	49.5	2,365,775
<b>Selling, General and Administrative Expenses</b>	888,280	19.6	1,720,798	18.8	832,518
<b>Operating Income</b>	<b>1,278,922</b>	<b>28.3</b>	<b>2,812,178</b>	<b>30.7</b>	<b>1,533,256</b>
<b>Other Income</b>	42,978	0.9	90,848	1.0	47,870
Interest income	2,552		6,181		
Dividend receivable	50		50		
Equity in earnings of affiliated companies	15,285		61,237		
Rental income	24,720		21,880		
Other	369		1,499		
<b>Other Expenses</b>	208,664	4.6	395,444	4.3	186,780
Interest Expense	77,754		214,647		
Loan commissions	11,583		37,461		
Rental expense	19,868		19,144		
Initial public offering expenses	40,522		-		
Stock listing changing expenses			34,837		
New share issue expenses	48,762		-		
Bond issue expenses	-		80,001		
Other	10,172		9,352		
<b>Ordinary Income</b>	<b>1,113,236</b>	<b>24.6</b>	<b>2,507,582</b>	<b>27.4</b>	<b>1,394,346</b>
<b>Extraordinary Gains</b>	7,125	0.2	-	-	
Adjusted earnings for previous years	7,125		-		
<b>Extraordinary Losses</b>	-	-	127,309	1.4	127,309
Loss on disposal of fixed assets	-		237		
Head office relocation expenses	-		117,154		
Loss on withdrawing from welfare pension fund	-		9,917		
Income before Income Taxes	<b>1,120,362</b>	<b>24.8</b>	<b>2,380,272</b>	<b>26.0</b>	<b>1,259,910</b>
Income taxes	505,496		1,056,671		551,175
Income taxes-deferred	(13,523)		(59,968)		(46,445)
Minority interests	1	0.0	4,100	0.0	4,099
<b>Net Income</b>	<b><u>628,387</u></b>	<b><u>13.9</u></b>	<b><u>1,379,468</u></b>	<b><u>15.1</u></b>	<b><u>751,081</u></b>

## Consolidated Statements of Retained Earnings

(¥ thousand)

Items	Period	Fiscal 2004 (January 1– December 31, 2004)	Fiscal 2005 (January 1– December 31, 2005)	Increase/ (Decrease) over Fiscal 2004
		Amount	Amount	Amount
<b>CAPITAL SURPLUS</b>				
<b>Opening Balance</b>		<b>140,000</b>	<b>2,477,039</b>	<b>2,337,039</b>
<b>Increase in Capital Surplus</b>		<b>2,337,039</b>	<b>131,957</b>	<b>(2,205,082)</b>
Capital increase upon issuance of new shares		2,329,559	-	
New share issue due to execution of stock acquisition rights		-	56,960	
New share issue due to conversion of convertible bonds		-	74,997	
<b>Closing Balance</b>		<b><u>2,477,039</u></b>	<b><u>2,608,997</u></b>	<b><u>131,957</u></b>
<b>RETAINED EARNINGS</b>				
<b>Opening Balance</b>		<b>548,848</b>	<b>1,177,236</b>	
<b>Increase in Retained Earnings</b>		<b>628,387</b>	<b>1,379,468</b>	<b>751,081</b>
Net income		628,387	1,379,468	
<b>Closing Balance</b>		<b><u>1,177,236</u></b>	<b><u>2,556,704</u></b>	<b><u>1,379,468</u></b>

## Consolidated Statements of Cash Flows

(¥ thousand)

Period Items	Fiscal 2004 (January 1– December 31, 2004)	Fiscal 2005 (January 1– December 31, 2005)	Increase/ (Decrease) over Fiscal 2004
	Amount	Amount	Amount
<b>Cash Flows from Operating Activities</b>			
Net income before income taxes and minority interests	1,120,362	2,380,272	
Depreciation and amortization	30,921	54,911	
Amortization of long-term prepayment expenses	610	300	
Loss on disposal of property and equipments	-	51,677	
	-	57,564	
Equity in earnings of affiliated companies	(15,285)	(61,237)	
Increase (decrease) in allowance for doubtful accounts	5,002	6,087	
Increase in reserve for employees' retirement benefits	-	(17,488)	
Interest income and dividend receivable	(2,602)	(6,231)	
Interest expense	77,754	214,647	
Increase in notes and accounts receivable	(142,287)	(610,359)	
Increase in inventory	(1,064,686)	(5,159,615)	
Increase in accounts receivable purchased	(1,434,436)	(5,919,377)	
(Increase) decrease in notes and accounts payable	11,733	(14,027)	
Others, net	189,585	262,286	
Sub total	(1,223,328)	(8,760,590)	<b>(7,537,262)</b>
Interest and dividend received	2,507	4,836	
Interest paid	(76,578)	(222,748)	
Income tax paid	(229,912)	(957,744)	
<b>Net Cash Used in Operating Activities</b>	<b>(1,527,312)</b>	<b>(9,636,245)</b>	<b>(8,108,933)</b>
<b>Cash Flows from Investing Activities</b>			
Payments for purchase of tangible fixed assets	(67,905)	(371,573)	
Payments for purchase of investment in securities	-	(653,224)	
Payments for acquisition of consolidated subsidiary	-	(340,623)	
Payments for purchase of affiliated company's share	(20,000)	(9,000)	
Payments for investments in affiliated companies	(3,000)	-	
Payments for investments in companies	(39,500)	(101,930)	
Payments for investments in silent partnerships	(1,149,410)	(5,384,307)	
Proceeds from dividend of silent partnerships	-	3,098,822	
Payments for loans	(227,941)	(1,335,570)	
Proceeds from loan collections	-	894,311	
Others, net	(23,764)	(268,380)	
<b>Net Cash Used in Investing Activities</b>	<b>(1,531,521)</b>	<b>(4,471,876)</b>	<b>(2,940,355)</b>
<b>Cash Flows from Financing Activities</b>			
Increase in short-term debts	879,153	3,843,947	
Proceed from long-term debt s	2,471,519	6,610,000	
Repayment of long-term debts	(892,397)	(2,436,901)	
Proceeds from bond issuance	200,000	7,400,000	
Payments for bonds redeemable	-	(140,000)	
Proceeds from issuance of common stock	4,506,829	113,914	
Payments for acquisition of treasury stock	-	(693)	
Proceeds from minority interests	8,400	18,840	
<b>Net Cash Provided by Financing Activities</b>	<b>7,173,504</b>	<b>15,409,106</b>	<b>8,235,602</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>4,114,670</b>	<b>1,300,984</b>	
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>613,272</b>	<b>4,727,942</b>	
<b>Cash and Cash Equivalents at End of Year</b>	<b><u>4,727,942</u></b>	<b><u>6,028,926</u></b>	<b><u>1,300,984</u></b>