

Jan. 25, 2008
SHOEI CO., LTD.

Consolidated Financial Results

for the First Quarter of the Fiscal Year Ending September 30, 2008

Name of Registrant	SHOEI CO., LTD.
Code No:	7839
Securities Traded	Tokyo Stock Exchange, 2nd Section
Headquarters	Tokyo, Japan
(URL http://www.shoei.com)	
Representative:	Masaru Yamada, President and Representative Director
Contact:	Takao Matsumiya, Director and General Manager

of Administration Division

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I . Financial Summary

1) Operating Performance

	Millions of Yen			
	<u>Oct.06-Dec.06</u>	<u>Oct.07-Dec.07</u>	<u>% Changes</u>	<u>Oct.06-Sept.07</u>
Net Sales	2,916	3,595	23.3	13,586
Operating Income	819	1,063	29.8	2,942
Ordinary Income	749	1,043	39.3	2,751
Net Income	438	623	42.1	1,630
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	Yen			
<i>Per Share Amounts</i>				
Net Income	60.38	85.80		224.60
Net Income, Diluted	—	—		—

Notes:

1. *Change of Accounting Method: Not Applicable*

2. *Percentages of net sales, operating income, ordinary income and net income show changes from those in the corresponding period of the previous year.*

3. *Amounts Less than ¥1million are omitted.*

2) Financial Position

	Millions of Yen		
	<u>Dec. 31, 06</u>	<u>Dec. 31, 07</u>	<u>Sept. 30, 07</u>
Total Assets	7,230	9,406	9,411
Shareholders' Equity	5,100	6,517	6,413
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	Percent		
Shareholders' Equity to Total Assets	70.5%	69.3%	68.1%
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	Yen		
Shareholders' Equity per Share	702.41	897.53	883.27

II . Consolidated Forecasts

for The Fiscal Year Ending September 30, 2008

	Millions of Yen
	<u>Oct.07-Sept.08</u>
Net Sales	14,300
Operating Income	2,950
Ordinary Income	2,850
Net Income	1,690
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	Yen
Net Income Per Share	116.37

Note:

The company made a 2-for-1 stock split, whose record date was Dec. 31, 2007. Per share forecasts for the 2008 fiscal year have been adjusted for this stock split.

III. Consolidated Financial Statements

Consolidated Statements of Income

	Millions of Yen			
	<u>Oct.06-Dec.06</u>	<u>Oct.07-Dec.07</u>	<u>% Changes</u>	<u>Oct.06-Sept.07</u>
Net Sales	2,916	3,595	+23.3	13,586
Cost of Sales	<u>1,480</u>	<u>1,894</u>	<u>+28.0</u>	<u>7,489</u>
Gross Profit	1,436	1,701	+18.4	6,096
Selling and Administrative Expenses	617	637	+3.3	3,153
Operating Income	819	1,063	+29.8	2,942
Non-Operating Income	3	8	+182.2	20
Non-Operating Expenses	72	28	-61.2	211
Ordinary Income	749	1,043	+39.3	2,751
Extraordinary Income	0	0	-97.5	0
Extraordinary loss	<u>2</u>	<u>0</u>	<u>-69.2</u>	<u>42</u>
Net Income before Income Taxes	746	1,042	+39.7	2,709
Current/Deferred Income Taxes	308	419	+36.3	1,078
Net Income	438	623	+42.1	1,630

Consolidated Balance Sheets

	Millions of Yen			
	<u>Dec. 31, 06</u>	<u>Dec. 31, 07</u>	<u>Changes</u>	<u>Sept. 30, 07</u>
Assets				
Current Assets:				
Cash and Cash Equivalent	935	2,238	+1,302	2,894
Accounts Receivable	1,637	1,947	+310	1,769
Inventories	1,668	1,807	+138	1,516
Others	<u>460</u>	<u>545</u>	<u>+84</u>	<u>654</u>
Total Current Assets	4,702	6,538	+1,836	6,836
Fixed Assets:				
Tangible Fixed Assets	1,703	1,741	+38	1,737
Intangible Fixed Assets	89	91	+2	82
Investments and Other Assets	<u>735</u>	<u>1,034</u>	<u>+298</u>	<u>755</u>
Total Fixed Assets	<u>2,527</u>	<u>2,867</u>	<u>+339</u>	<u>2,575</u>
Total Assets	7,230	9,406	+2,176	9,411
Liabilities				
Current Liabilities:				
Accounts Payable	1,093	1,497	+403	1,386
Accrued Income Taxes	300	521	+221	637
Others	<u>589</u>	<u>645</u>	<u>+56</u>	<u>753</u>
Total Current Liabilities	1,983	2,664	+680	2,777
Fixed Liabilities:				
Allowance for Retirement				
Benefits of Directors	145	170	+25	168
Others	<u>0</u>	<u>54</u>	<u>+53</u>	<u>52</u>
Total Fixed Liabilities	<u>145</u>	<u>224</u>	<u>+78</u>	<u>220</u>
Total Liabilities	2,129	2,889	+759	2,998
Net Assets				
Total Shareholders' Equity	<u>4,996</u>	<u>6,325</u>	<u>+1,328</u>	<u>6,188</u>
Total Valuation and Translation Adjustment	<u>104</u>	<u>192</u>	<u>+87</u>	<u>225</u>
Total Net Assets	<u>5,100</u>	<u>6,517</u>	<u>+1,416</u>	<u>6,413</u>
Total Liabilities, and Total Net Assets	7,230	9,406	+2,176	9,411