

Summary of Consolidated Financial Information for the Third Quarter of the Fiscal Year Ending September 2008

August 4, 2008

Company name: Septeni Holdings Co., Ltd.

NASDAQ (Code 4293)

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(Rounded down to million yen)

1. Results of operations for the nine months ended June 2008 (October 1, 2007 to June 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 Jun. '08	22,414	(18.0)	778	(25.0)	737	(5.9)	569	(59.7)
Nine months ended Jun. '07	19,001	(26.9)	622	(25.1)	696	(19.4)	356	(10.2)
Year ended Sept. '07	25,863		946		1,196		529	

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Nine months ended Jun. '08	4,564.85		4,428.03	
Nine months ended Jun. '07	2,868.27		2,775.06	
Year ended Sept. '07	4,257.80		4,122.57	

(2) Consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen	Million yen	Million yen	Million yen	%	Yen	Yen	
As of Jun. '08	11,851		5,799		42.6	40,427.84		
As of Jun. '07	9,091		4,532		47.4	34,661.88		
As of Sept. '07	9,483		4,743		47.3	35,926.59		

(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	Million yen	Million yen	Million yen	
Nine months ended Jun. '08	(37)	(1,050)	1,505	3,526				
Nine months ended Jun. '07	221	(432)	96	2,771				
Year ended Sept. '07	563	(204)	(136)	3,109				

2. Dividends

	Dividend per share	
	Year-end	Annual
(Record date)	Yen	Yen
Year ended Sept. '07	700.00	700.00
Year ending Sept. '08 (forecast)	800.00	800.00

3. Forecast of consolidated financial results for the year ending September 2008 【Reference】

(October 1, 2007 to September 30, 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 Sept. '08	31,100	(20.2)	1,200	(26.8)	1,300	(8.6)	700	(32.1)	5,609.89	

4. Others

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|------|
| (1) Changes in significant subsidiary during the period (changes in specified subsidiary due to changes in the scope of consolidation): | None |
| (2) Adoption of simplified accounting method: | Yes |
| (3) Changes in accounting method compared to the recent fiscal year. | None |

* 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. Actual results may differ from these forecasts due to changes in economic situation and business operations.

【Results of Operations and Financial Condition】

1. Consolidated Results of Operations

In the third quarter of the fiscal year, Septeni Group posted a 18.0% increase year-on-year in consolidated net sales to 22,414 million yen mainly because of continuing growth in the core network advertising business. Furthermore, improved profitability in the ongoing network ads business contributed significantly to operating income resulting in a 25.0% increase year-on-year to 778 million yen. However, dividends received which are posted as non-operating income decreased by 58 million yen year-on-year associated with financial instruments due to the financial market turmoil. In addition, ordinary income was 737 million yen (up 5.9% year-on-year) mainly because of posting a non-operating expense of 86 million yen for valuation losses on investment securities at the end of the first half of the fiscal year.

With regard to extraordinary profit, Septeni Group posted a total of 510 million yen due mainly to a gain on the sale of stock in a subsidiary and a gain from the change in ownership in this company associated with the initial public offering of consolidated subsidiary AXEL MARK INC., which is listed on the Tokyo Stock Exchanges' Mothers market. On the other hand, Septeni Group posted a total of 472 million yen as extraordinary loss due mainly to valuation losses on investment securities associated with stock investments for business and capital alliances.

As a result of the above factors, net income was 569 million yen (up 59.7% year-on-year).

A summary of business segment performance is presented below.

Network Advertising business

Septeni Group continued to expand sales of fast-growing mobile phone ads since the previous period to increase share and raise profitability in the Internet advertising market while boosting sales in the value-added fields such as website production and SEO (search engine optimization). The Company also made efforts to curb selling, general and administrative expenses.

As a result, sales of the Networking Advertising business up to the current third quarter was 18,430 million yen (up 21.0% year-on-year) and operating income was 723 million yen (up 82.4% year-on-year).

Internet-related businesses

In the mobile service category's core content distribution, Septeni Group actively implemented an advertising campaign to increase the number of paid members but it fell short of expectations, and business performance was also sluggish. On the other hand, wholesale sales for the mobile ads' advertising agencies increased significantly. Moreover, in the technology sector, the Company expanded its service lineup focusing on the core e-mail distribution ASP services.

As a result, Internet-related business sales up to the current third quarter were 3,050 million yen (up 69.1% year-on-year) and operating income was 127 million yen (down 35.4% year-on-year).

Direct Mail

Due to a severe operating climate with weakened demand and other factors, net sales up to the current third quarter was 1,744 million yen (down 16.4% year-on-year) and operating income was 196 million yen (down 18.6% year-on-year).

Others

Septeni Group secured net sales of 18 million yen (down 78.2% year-on-year), representing mainly proceeds from sales of stock in the investment and incubation business. However, because sales were insufficient to offset ordinary expenses including personnel expenses, operating loss was 21 million yen (1 million yen in operating income in the same period a year earlier).

(4) (Summary) 【Business Segment Information】

[Segment information by business category]

Previous third quarter (October 1, 2006 to June 30, 2007)

(Thousand yen)

	Network advertising	Internet-related businesses	Direct mail	Others	Total	Eliminations or corporate	Consolidated
Net sales	15,232,633	1,803,995	2,085,482	86,672	19,208,784	(207,458)	19,001,325
Operating expenses	14,836,042	1,606,284	1,843,614	84,967	18,370,908	7,926	18,378,835
Operating income	396,591	197,711	241,868	1,704	837,875	(215,385)	622,489

Current third quarter (October 1, 2007 to June 30, 2008)

(Thousand yen)

	Network advertising	Internet-related businesses	Direct mail	Others	Total	Eliminations or corporate	Consolidated
Net sales	18,430,139	3,050,721	1,744,486	18,900	23,244,247	(829,453)	22,414,793
Operating expenses	17,706,781	2,923,038	1,547,668	40,175	22,217,662	(581,188)	21,636,473
Operating income	723,358	127,683	196,818	(21,275)	1,026,584	(248,264)	778,319

Notes:

1. All figures are rounded down to the nearest thousand.

2. Method for determination of business segments

Businesses are categorized based on similarities of markets served.

3. Descriptions of business segments

(1) Network advertising

Internet advertising agency, ad network

(2) Internet-related businesses

Mobile services (operation of media, distribution of content)

Technology (e-mail distribution ASP, system integration)

(3) Direct mail

Outsourcing services for direct mail and distribution of other sales promotion materials

(4) Others

Investment and incubation, new businesses