

Year ending December 31, 2007 **FY 2007 Consolidated Interim Financial Results** August 22, 2007

(All financial information herein has been prepared in accordance with accounting principles generally accepted in Japan. This document is an English translation from the original Japanese-language document. This translation is not subject to auditing standards in the U.S.)

Listed company name: Original Engineering Consultants Co., Ltd. Stock listing: Tokyo Stock Exchange, Second Section
 Code number: 4642 (URL <http://www.oec-solution.co.jp>)
 Representative: Title CEO Name: Toshio Morimoto
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 Filing date of semiannual financial statements: September 26, 2007

(Amounts less than ¥1 million are truncated)

1. CONSOLIDATED INTERIM FINANCIAL RESULTS (January 1, 2007 to June 30, 2007)

(1) Consolidated Operating Results (Percentages represent year-on-year change)

	Net sales		Operating income (loss)		Ordinary income (loss)	
	Million yen	%	Million yen	%	Million yen	%
FY 2007 interim ended June 30, 2007	3,058	8.3	158	33.6	151	41.5
FY 2006 interim ended June 30, 2006	2,825	-7.9	118	-61.2	106	-64.8
FY2006 ended December 31, 2006	4,318	-	-240	-	-288	-

	Net income (loss)		Net income (loss) per share-basic	Net income per share-diluted
	Million yen	%	Yen	Yen
FY 2007 interim ended June 30, 2007	104	-	13.98	-
FY 2006 interim ended June 30, 2006	-700	-	-93.70	-
FY2006 ended December 31, 2006	-1,117	-	-149.44	-

(Reference) Gain (Loss) on investment by equity method: FY 2007 interim: ¥- million FY 2006 interim: ¥- million FY 2006: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2007	8,069	5,982	74.1	800.27
As of June 30, 2006	9,414	6,403	68.0	856.34
As of December 31, 2006	8,578	5,957	69.4	796.75

(Reference) Shareholders' equity: FY 2007 interim: ¥5,982 million FY 2006 interim: ¥6,403 million FY 2006: ¥5,957 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Million yen	Million yen	Million yen	Million yen
FY 2007 interim ended June 30, 2007	1,338	-38	-1,074	2,716
FY 2006 interim ended June 30, 2006	1,651	-70	-89	3,944
FY2006 ended December 31, 2006	217	-88	-91	2,491

2. DIVIDENDS

(Record date)	Dividends per share		
	Interim	Year-end	Annual
	Yen	Yen	Yen
FY 2006 ended December 31, 2006	0.00	10.00	10.00
FY 2007 ending December 31, 2007	0.00	-	10.00
FY2007 ending December 31, 2007 (Forecast)	-	10.00	

3. FORECAST OF CONSOLIDATED RESULTS FOR FY 2007 (January 1, 2007 to December 31, 2007)

(Percentages represent changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	4,805	11.3	-136	-	-145	-	-184	-	-24.61

4. OTHER

(1) Changes in the scope of consolidation for significant subsidiaries during FY 2007 interim ended June 30, 2007: None

(2) Changes in significant accounting policies, procedures or presentation

(i) Changes resulting from a newly issued accounting pronouncement: Yes

(ii) Changes other than (i): None

(3) Number of outstanding shares (common stock)

(i) Number of shares outstanding at end of period, including treasury stock

As of June 30, 2007: 7,796,800 shares As of June 30, 2006: 7,796,800 shares As of December 31, 2007: 7,796,800 shares

(ii) Number of shares of treasury stock at end of period

As of June 30, 2007: 320,970 shares As of June 30, 2006: 319,070 shares As of December 31, 2007: 319,770 shares

Note: For details on the basis for calculating consolidated net income (loss) per share, please refer to page 20, "Per Share Information."

(Reference) Summary of Non-Consolidated Financial Results

1. NON-CONSOLIDATED INTERIM FINANCIAL RESULTS (January 1, 2007 to June 30, 2007)

(1) Non-Consolidated Operating Results (Percentage represent year-on-year change)

	Net sales		Operating income (loss)		Ordinary income (loss)	
	Million yen	%	Million yen	%	Million yen	%
FY 2007 interim ended June 30, 2007	3,055	8.3	112	29.3	105	39.8
FY 2006 interim ended June 30, 2006	2,820	-7.9	87	-64.4	75	-69.0
FY2006 ended December 31, 2006	4,312	-	-289	-	-337	-

	Net income (loss)		Net income (loss) per share-basic
	Million yen	%	Yen
FY 2007 interim ended June 30, 2007	74	-	10.00
FY 2006 interim ended June 30, 2006	-712	-	-95.22
FY2006 ended December 31, 2006	-1,118	-	-149.64

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2007	7,988	5,931	74.2	793.39
As of June 30, 2006	9,318	6,371	68.4	852.13
As of December 31, 2006	8,534	5,935	69.5	793.86

(Reference) Shareholders' equity: FY 2007 interim: ¥5,931 million FY 2006 interim: ¥6,371 million FY 2006: ¥5,935 million

2. FORECAST OF NON- CONSOLIDATED RESULTS FOR FY 2007 (January 1, 2007 to December 31, 2007)

(Percentage changes are presented in comparison with the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	4,800	11.3	-152	-	-161	-	-184	-	-24.61

Note regarding forecasts and forward-looking statements

Full-year results forecasts are based on interim results and the current outlook, and are revised from the forecasts previously announced on February 16, 2007.

The above forecasts of future performance are based on information available to the Company at the present time and are subject to potential risks and uncertainty. Accordingly, actual results may differ significantly from any expressed future performance herein due to various factors.

For matters relating to results forecasts, please refer to page 3 of the appendices.

1. BUSINESS RESULTS

(1) Analysis of Results of Operations

During the interim period ended June 30, 2007, rise in corporate capital investment due to improved profitability and the upturn in employment and income conditions kept the Japanese economy on a firm recovery track. Within this general economic situation, although overall operating conditions for companies were positive, the engineering consulting industry faced shrinking budgets in the area of public sewerage systems. As a result, competition among companies to win project orders further intensified and factors driving down profitability became more pronounced.

Within this external operating environment, the OEC Group strove to bolster productivity through rigorous project management and cost-cutting measures. Utilizing our proprietary information system software, we undertook vigorous sales activities on a company-wide basis to develop new markets including the private sector and overcome fierce competition in existing markets.

Within these conditions, consolidated orders received during the interim period under review amounted to ¥1,624 million, a 6.2% decline compared with the interim period of the previous fiscal year. Net sales during the interim period rose 8.3%, to ¥3,058 million, operating income increased 33.6%, to ¥158 million, and ordinary income was up 41.5%, to ¥151 million. Net income for the interim period under review amounted to ¥104 million, compared with a net loss of ¥700 million during the interim period of the previous fiscal year.

Results by operating division were as follows.

[Engineering Consultant Department]

A deterioration in fiscal conditions among regional and local government agencies led to cuts in public works budgets and falling contract prices. As a result, orders received fell 9.2%, to ¥1,230 million. Net sales amounted to ¥2,447 million, an increase of 1.3% compared with the corresponding period last year.

[Information Processing Department]

Orders received increased 4.6%, to ¥393 million. Net Sales jumped 49.2%, to ¥610 million.

The Company operates in a single business segment, engineering consultant and related services. Consequently, the Company does not disclose separate information broken down by business segment.

In our forecasts for the full fiscal year, we anticipate further cuts to public works budgets relating to sewerage systems and intensified competition among companies in this industry. In such a severe operating environment, the Group's net sales during the interim period under review were slightly ahead of our initial forecasts. However, orders received are on a declining trend owing to tough competition among firms, and we estimate net sales in the second half of the fiscal year will fall to just 57% of the level achieved during the interim period. In terms of profits, the ratios of fixed costs in cost of sales and the selling, general and administrative (SG&A) expense to net sales are expected to rise, leading to an operating loss for the fiscal period.

Faced with these conditions, each Group company is striving to provide high-quality services and solutions to enhance customer satisfaction. In addition, we are undertaking sales activities that focus on offering new products to meet the unique needs of each particular region. Through organizational rationalization and cost cutting in both personnel expenses and outsourcing expenses, we are striving on a company-wide basis to maintain profitability even within a climate where orders received and net sales are falling.

Our operating results forecasts for the full fiscal year are as follows. Orders received are forecast to total ¥4,600 million, decrease of 2.8% compared with the previous fiscal year. Net sales are forecast to increase 11.3%, to ¥4,805 million. Operating loss is forecast to shrink from ¥240 million last fiscal year, to ¥136 million. Ordinary loss is likewise forecast to decline from ¥288 million, to ¥145 million. Net loss for the fiscal year is forecast to be ¥184 million, compared with a net loss of ¥1,117 million.

(2) Analysis of Financial Position

Cash and cash equivalents rose ¥225 million compared with the end of the previous fiscal year, to stand at ¥2,716 million at the end of the interim period under review. The main factors contributing to this change included the posting of income before income taxes, a decrease in accounts receivable, a decrease in expenses for uncompleted services, an increase in amount received for uncompleted services, and a decrease in short-term loans payable.

Main factors contributing to changes in cash flows during the interim period under review were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥1,338 million, a decline of 18.9% compared with the corresponding period of the previous fiscal year. Significant items within this figure were income before income taxes of ¥125 million, a decrease in accounts receivable of ¥347 million, a decrease in expenses for uncompleted services of ¥321 million, and an increase in amount received for uncompleted services of ¥472 million.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥38 million, which was decrease of 44.7% compared with the corresponding period of the previous fiscal year. The major item within this figure was payments for acquisition of intangible assets (software) of ¥32 million.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1,074 million, an increase of 1,097.5% compared with the corresponding period of the previous fiscal year.

This mainly owed to a net decrease in short-term loans of ¥1,000 million.

(Reference) Cash Flow Indicator Trends

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007 interim
Shareholders' equity ratio (%)	75.2	73.4	74.1	69.4	74.1
Shareholders' equity ratio on a market value basis (%)	35.2	40.6	55.7	36.7	34.8
Interest-bearing debt to cash flow ratio(years)	1.3	1.4	1.3	4.6	-
Interest coverage ratio (times)	54.2	49.2	55.6	15.0	175.9

Ratio formula:

Shareholders' equity ratio: Shareholders' equity / total assets

Shareholders' equity ratio on a market value basis: Market capitalization / total assets

Interest-bearing debt to cash flow ratio (years): Interest-bearing liabilities / cash flow from operating activities

Interest coverage ratio: Operating activities / interest payments

Notes:

1. All figures are calculated based on consolidated financial data.
2. Market capitalization is calculated by multiplying the share price at end of period by the number of shares outstanding at end of period (excluding treasury stock).
3. Cash flows in these indicators refers to net cash from operating activities as stated in the Consolidated Interim Statements of Cash Flows. Interest-bearing liabilities are all liabilities presented on the Consolidated Balance Sheets that are subject to interest expenses (At the end of the interim period of FY2007, there are no interest-bearing liabilities.) Interest payments are those stated in the Consolidated Statements of Cash Flows.

(3) Fundamental Policy Regarding Profit Shareing and Dividends for the Interim Period

The Company's basic policy regarding the redistribution of profit to shareholders is to maintain a favorable and stabilized dividend payment to shareholders. The dividend for the interim period under review, taking the performance outlook for the full fiscal period into account, is set at ¥10.00 per share of common stock. We will enhance sales to reply to the needs of both public and private clients, improve quality of software and systems to enhance its technical capacity, develop new products (software-related) and enhance our financial position. Thus, the Group devotes every effort to reduce costs and increase profit. It is the Group's basic policy to return its profits to its shareholders.

(4) Business Risk

These estimations are based on the consolidated financial statements.

(i) Reliance on public works

Although the Group is developing its business in new areas including private demand, government and other public offices, corporations and local governments account for most of its business. The amount of net sales and its earnings will be affected by the remaining tight budget for public sewage due to structural reform and the fiscal difficulties of local governments and also by greater competition for orders received.

(ii) Legal regulations

Because most business comes from governments and other public offices, the Group is dedicated to the management system that avoids any collusive actions. The Group has set up risk management practices directly controlled by its directors, and has established “Code of Conduct for OEC” as a part of its compliance program. The Group has distributed the code to all employees and has tried hard to keep everyone informed about the importance of compliance and corporate ethics. However, any activities raising issues of antitrust law might affect the business.

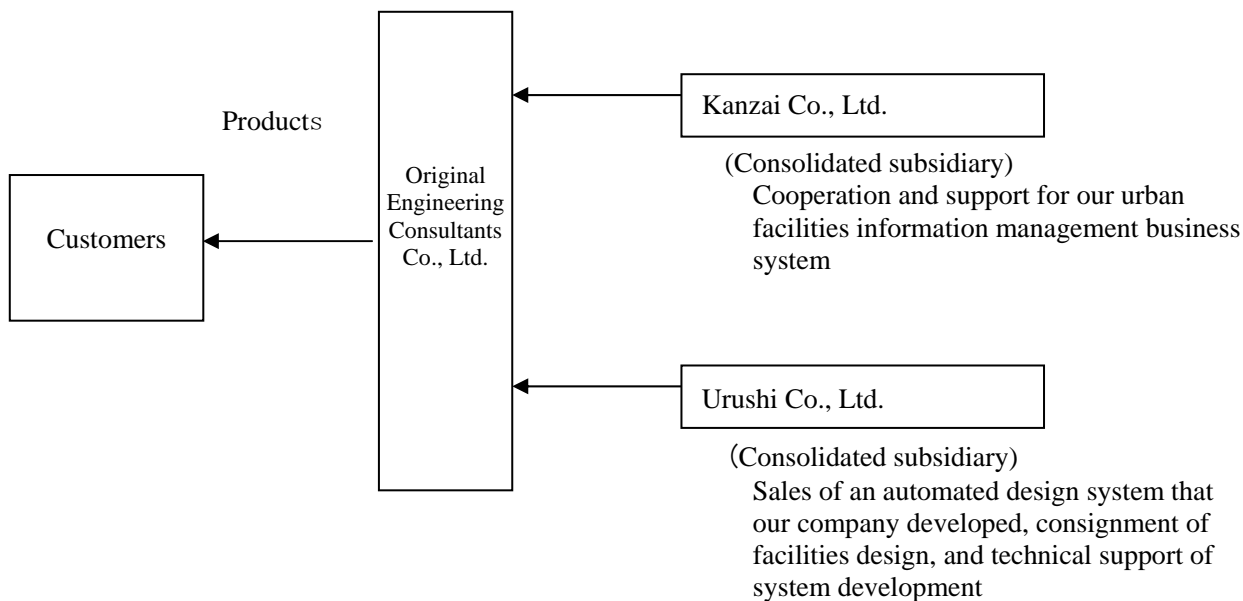
(iii) Defects in quality

The Group is dedicated to improving high-quality products and is recognized by the quality management system, ISO9001. However, large-scale defects in its products caused by error might affect the business.

2. OVERVIEW OF THE OEC GROUPS’S ORGANIZATION

The OEC Group is composed of the parent company and its two consolidated subsidiaries. The main activities consist of feasibility studies, master plans, detailed design and construction supervision surveillance of work for water supply and sewerage, establishment of a database on urban facilities as well as development of the systems utilizing this database for the purpose of management and maintenance of water supply and sewerage.

The outline of the Group and its interrelations is as follows.



3. MANAGEMENT POLICIES

(1) Basic Management Policies

The OEC Group's core management principle is to provide safety, peace of mind and prevention by developing and building superior, advanced technology. Based on the community's trust, the OEC Group strives to develop its business and improve corporate member's welfare.

According to these general principles, the Group engages in the development of technology to protect water and greenery environment and services derived from such technology that expand its business categories. With the technology and services, the Group aims to increase its sales and market share and ultimately to ensure continuous growth of the Group and maximize its corporate value.

(2) Target Management Index

The business projections prepared by the Group to maximize its corporate value as well as to emphasize its shareholders' return are as follows.

Management target	Medium-term management plan target	FY 2006 (Result)	FY 2007 (Forecast)
1. Amount of orders	Over ¥5.1 billion	¥4.7 billion	¥4.6 billion
2. Operating margin	Over 5%	-5.6%	-2.8%
3. Net income (loss) per share	Over ¥10	-¥149.44	- ¥24.61

(3) Medium- and Long-Term Management Strategies

The OEC Group's medium- to long-term management strategy is founded on technology that provides safety, peace of mind and prevention. From this base, we strive to develop new technologies and products that enable us to build new markets and establish a competitive advantage. Our management strategy also calls for the OEC Group to build a solid sales base that achieves a good balance between both public and private sector customers

Technical products	Target clients	
○ Information management		
① Information system for water supply	Public	Private
② Water supply and sewage planning system	Public	
③ Information system for public sewage system	Public	Private
④ Management system for river basin sewage system	Public	Private
⑤ Information system for rural community sewage system	Public	Private
⑥ Management system for beneficiary charges	Public	Private
⑦ Supporting system for water supply and sewage system property management	Public	Private
⑧ Supporting system for water supply and sewage system facility management	Public	Private
⑨ Supporting system for sewage system facility maintenance and management	Public	
⑩ Accounting system for public corporations	Public	
⑪ Management system for technical document files	Public	Private
○ Simulation system		
① Real-time water immersion simulation system	Public	Private
② Bio-solution system (reconstruction, renewals, integration, reduction of CO ₂)	Public	Private
③ Settling simulator for secondary clarifier	Public	Private
New ④ OEC validation system for buildings and structure	Public	Private
⑤ Non-destructive inspection system	Public	Private
⑥ Concrete tester	Public	Private
⑦ Budgeting and estimation system (architecture, civil engineering, and sewers)	Public	Private
⑧ Earthquake-resistant and temporary work simulation system (sewers)	Public	Private
New ⑨ Equipment and machinery diagnostic system (acoustic signal)	Public	Private
○ URUSHI series		
① Automatic design system (architecture and civil engineering)	Public	Private
② Automatic design system for facilities	Public	Private
③ Automatic design system of pipe / conduit for water supply and drainage	Public	Private

(i) Sales enhancement

The Group offers new technology products as well as core products to satisfy the diversified needs of its clients. As a result, the Group's business aims at improvement of customer satisfaction with its competitive products, higher reliability and excellent services. The Group works hard to develop private-sector business, with consulting service on life extension of concrete building by providing verification of safety properties, and earthquake-resistant tests using a non-destructive testing system, concrete tester, and the "URUSHI" 3D design system.

In addition, the Group offers consulting service on energy saving for government and other public offices by using a bio-solution system (reconstruction, renewals, integration, and reduction of CO₂) and a settling simulator. Furthermore, by putting all the product ranges outlined above to full use, the Company is pursuing the development of consulting service on asset-management support operations. This addition, the Company is striving for significant progress in its efforts to build a sales base that achieves a balance between private and public sector customers.

(ii) Enhancement of technical skills and productivity

The Group intends to improve its efficiency and productivity, and to supply higher-quality products and services by fully utilizing its various proprietary systems through the internal network and by providing a knowledge-management environment throughout the Group (sharing information and knowledge on design and consulting).

(iii) Performance and ability-based system

The Group has been reviewing its personnel evaluation policy since April 2002 and has introduced the annual salary system for employees aged over 40. Other measures that focus on employees' commitment to the Group will be implemented.

(4) Company Issues

The OEC Group's main business operations are in the area of public sewerage works projects. The Group anticipates that ongoing cuts to public works budgets will mean a continuation of difficult operating conditions. Under the circumstances, the Group will set and address the following three important issues for improvement of the business.

Firstly, the Group will provide high-quality products to meet clients' needs. Secondly, it aims to introduce its own technologies such as a non-destructive inspection system and BIO-SOLUTION, which will suit each of its clients' geographical characteristics. The Group will continue to differentiate itself from competitors, to develop new markets, and to survive in the existing markets of fierce competition. Thirdly, the Group believes that drastic cutting of business costs is effective to ensure stable profits in the continually harsh business environment. The specific measures are to review organizational strategy, including employee structure, to improve productivity and to cut costs such as personnel and subcontractors. Along these lines, the Group will work to achieve the objectives of its medium-term management plan.

4. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(1) Consolidated Interim Balance Sheets

Category	FY 2006 Interim (as of June 30, 2006)		FY 2007 Interim (as of June 30, 2007)		YOY Increase/ decrease (thousand yen)	FY 2006 (as of December 31, 2006)		
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %		Amount (thousand yen)	Ratio %	
(Assets)								
I Current assets								
1. Cash and cash equivalents	6,105,557		4,878,830			4,652,509		
2. Accounts receivable	4,315		5,325			-		
3. Notes receivable	70,189		82,231			435,090		
4. Expenses of uncompleted services	518,257		559,556			881,152		
5. Others	73,486		63,562			90,104		
6. Allowance for doubtful accounts	-3,900		-6,911			-7,300		
Total current assets	6,767,906	71.9	5,582,595	69.2	-1,185,311	6,051,556	70.5	
II Fixed assets								
1. Tangible fixed assets								
(1) Buildings and construction	539,746		534,251			539,900		
Accumulated depreciation	334,675	205,070	342,676	191,574		341,442	198,457	
(2) Land		310,432		310,432			310,432	
(3) Others	103,285		106,621			107,077		
Accumulated depreciation	88,648	14,637	91,759	14,862		90,726	16,351	
Total tangible fixed assets		530,140		516,869			525,241	
2. Intangible fixed assets								
(1) Software		289,485		227,316			257,994	
(2) Others		14,608		14,608			14,608	
Total intangible fixed assets		304,094		241,925			272,603	
3. Investments and other assets								
(1) Investment in securities		780,205		724,745			731,368	
(2) Long-term deposits		700,000		700,000			700,000	
(3) Others		336,975		305,236			303,350	
(4) Allowance for doubtful accounts		-5,200		-2,200			-5,200	
Total investments and other assets		1,811,980		1,727,782			1,729,518	
Total fixed assets		2,646,216	28.1	2,486,577	30.8	-159,639	2,527,363	29.5
Total assets		9,414,122	100.0	8,069,172	100.0	-1,344,950	8,578,919	100.0

Category	FY 2006 Interim (as of June 30, 2006)		FY 2007 Interim (as of June 30, 2007)		YOY	FY 2006 (as of December 31, 2006)	
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)	Ratio %
(Liabilities)							
I Current liabilities							
1. Accounts payable	128,423		84,067			137,226	
2. Short-term debt	1,000,000		-			1,000,000	
3. Income taxes payable	30,438		33,453			48,091	
4. Advances received on uncompleted contracts	651,606		792,473			319,863	
5. Allowance for bonuses	19,010		19,038			18,990	
6. Others	276,215		314,099			208,788	
Total current liabilities	2,105,693	22.4	1,243,131	15.4	-862,561	1,732,960	20.2
II Fixed liabilities							
1. Deferred tax liabilities	154,209		131,748			134,430	
2. Allowance for retirement benefits	553,637		573,064			562,084	
3. Allowance for retirement benefits for directors and corporate auditors	165,159		123,879			170,079	
4. Others	31,943		14,681			22,054	
Total fixed liabilities	904,950	9.6	843,373	10.5	-61,576	888,648	10.4
Total liabilities	3,010,643	32.0	2,086,505	25.9	-924,138	2,621,609	30.6
(Net assets)							
I Shareholders' equity							
1. Common stock	1,093,000	11.6	1,093,000	13.5	-	1,093,000	12.7
2. Capital surplus	3,171,308	33.7	3,171,308	39.3	-	3,171,308	37.0
3. Retained earnings	2,195,321	23.3	1,808,335	22.4	-386,985	1,778,552	20.7
4. Treasury stock	-282,704	-3.0	-283,532	-3.5	-828	-283,045	-3.3
Total shareholders' equity	6,176,924	65.6	5,789,111	71.7	-387,813	5,759,814	67.1
II Valuation and translation adjustments							
Net unrealized gains on other marketable securities	226,554	2.4	193,555	2.4	-32,998	197,496	2.3
Total valuation and translation adjustments	226,554	2.4	193,555	2.4	-32,998	197,496	2.3
Total net assets	6,403,478	68.0	5,982,667	74.1	-420,811	5,957,310	69.4
Total liabilities and net assets	9,414,122	100.0	8,069,172	100.0	-1,344,950	8,578,919	100.0

(2) Consolidated Interim Statements of Operations

Category	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		YOY	FY 2006 (from January 1, 2006 to December 31, 2006)	
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)	Ratio %
I Net sales							
Contracts completed	2,825,138	100.0	3,058,472	100.0	233,333	4,318,445	100.0
II Cost of sales							
Cost of contracts completed	2,057,043	72.8	2,263,775	74.0	206,731	3,239,385	75.0
Gross profit	768,094	27.2	794,696	26.0	26,601	1,079,060	25.0
III Selling, general and administrative expenses	649,175	23.0	635,833	20.8	-13,342	1,319,741	30.6
Operating income (loss)	118,919	4.2	158,863	5.2	39,944	-240,680	-5.6
IV Non-operating income							
1. Interest income	2,110		4,047			5,196	
2. Dividend income	6,381		7,663			7,331	
3. Insurance processing fee	1,106		1,075			2,194	
4. Contribution received for operations performed by dispatched employees	1,539		3,100			1,539	
5. Others	1,145	12,283	2,336	18,222	0.5	4,932	21,194
V Non-operating expenses							
1. Interest expenses	6,818		8,451			14,607	
2. Expenses for securities transactions	9,981		9,127			16,163	
3. Devaluation loss on inventories	1,512		-			27,445	
4. Provision for doubtful accounts	3,900		-			7,300	
5. Commemorative business expenses	-		7,510			-	
6. Others	2,162	24,375	799	25,888	0.8	3,393	68,910
Ordinary income (loss)		106,827		151,196	4.9		-288,397
		3.8		4.9			-6.7

Category	FY 2006 Interim (from January 1, 2006 to June 30, 2006)			FY 2007 Interim (from January 1, 2007 to June 30, 2007)			YOY	FY 2006 (from January 1, 2006 to December 31, 2006)		
	Amount (thousand yen)		Ratio %	Amount (thousand yen)		Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)		Ratio %
VI Extraordinary gain										
1. Gains on sales of fixed assets	-			0				-		
2. Gains on reversal of allowance for doubtful accounts	-			388				-		
3. Gain on dissolution of leasehold contract	16,250	16,250	0.6	-	388	0.0	-15,862	16,250	16,250	0.4
VII Extraordinary loss										
1. Loss on disposal of fixed assets	2,654			941				2,728		
2. Impairment loss	800,000			-				800,000		
3. Allowance for retirement benefits for directors and corporate auditors	-	802,654	28.4	25,000	25,941	0.8	-776,713	-	802,728	18.6
Income (loss) before income taxes		-679,576	-24.0		125,644	4.1	805,221		-1,074,874	-24.9
Corporate/inhabitant taxes and income taxes		21,165	0.8		21,090	0.7	-75		42,637	1.0
Net income (loss)		-700,742	-24.8		104,554	3.4	805,296		- 1,117,511	-25.9

(3) Consolidated Interim Statements of Changes in Net Assets

FY 2006 Interim (from January 1, 2006 to June 30, 2006)

(thousand yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2005	1,093,000	3,171,308	2,985,812	-281,928	6,968,191
Changes during the period					
Dividends			-89,748		-89,748
Net loss			-700,742		-700,742
Acquisition of treasury stock				-776	-776
Changes in items other than shareholders' equity					
Total changes during the period			-790,491	-776	-791,267
Balance as of June 30, 2006	1,093,000	3,171,308	2,195,321	-282,704	6,176,924

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2005	234,189	234,189	7,202,381
Changes during the period			
Dividend			-89,748
Net loss			-700,742
Acquisition of treasury stock			-776
Changes in items other than shareholders' equity	-7,635	-7,635	-7,635
Total changes during the period	-7,635	-7,635	-798,902
Balance as of June 30, 2006	226,554	226,554	6,403,478

FY 2007 Interim (from January 1, 2007 to June 30, 2007)

(thousand yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2006	1,093,000	3,171,308	1,778,552	-283,045	5,759,814
Changes during the period					
Dividends			-74,770		-74,770
Net loss			104,554		104,554
Acquisition of treasury stock				-487	-487
Changes in items other than shareholders' equity					
Total changes during the period			29,783	-487	29,296
Balance as of June 30, 2007	1,093,000	3,171,308	1,808,335	-283,532	5,789,111

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2006	197,496	197,496	5,957,310
Changes during the period			
Dividend			-74,770
Net loss			104,554
Acquisition of treasury stock			-487
Changes in items other than shareholders' equity	-3,940	-3,940	-3,940
Total changes during the period	-3,940	-3,940	25,356
Balance as of June 30, 2007	193,555	193,555	5,982,667

FY 2006 (from January 1, 2006 to December 31, 2006)

(thousand yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2005	1,093,000	3,171,308	2,985,812	-281,928	6,968,191
Changes during the period					
Dividends			-89,748		-89,748
Net loss			-1,117,511		-1,117,511
Acquisition of treasury stock				-1,117	-1,117
Changes in items other than shareholders' equity					
Total changes during the period			-1,207,260	-1,117	-1,208,377
Balance as of December 31, 2006	1,093,000	3,171,308	1,778,552	-283,045	5,759,814

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2005	234,189	234,189	7,202,381
Changes during the period			
Dividend			-89,748
Net loss			-1,117,511
Acquisition of treasury stock			-1,117
Changes in items other than shareholders' equity	-36,693	-36,693	-36,693
Total changes during the period	-36,693	-36,693	-1,245,070
Balance as of December 31, 2006	197,496	197,496	5,957,310

(4) Consolidated Interim Statements of Cash Flows

	FY 2006 Interim (from January 1, 2006 to June 30, 2006)	FY 2007 Interim (from January 1, 2007 to June 30, 2007)	YOY	FY 2006 (from January 1, 2006 to December 31, 2006)
Category	Amount (thousand yen)	Amount (thousand yen)	Increase / decrease (thousand yen)	Amount (thousand yen)
I Cash flows from operating activities				
Income (loss) before income taxes	-679,576	125,644		-1,074,874
Depreciation and amortization	164,426	69,314		245,564
Impairment loss	800,000	-		800,000
Increase / decrease in provision for doubtful accounts	3,900	-388		7,300
Increase / decrease in provision for bonuses	440	48		420
Increase / decrease in provision for retirement benefits	6,125	10,980		14,571
Increase / decrease in provision for retirement benefits of directors and corporate auditors	4,640	-46,200		9,560
Interest and dividend income	-8,491	-11,710		-12,528
Interest expenses	6,818	8,451		14,607
Foreign exchange gain / loss	68	-276		-748
Gain on sales of fixed assets	-	-0		-
Loss on sales and disposal of fixed assets	2,654	941		2,728
Increase / decrease in accounts receivable	670,028	347,533		309,443
Increase / decrease in expenses for uncompleted services	265,932	321,596		-96,963
Increase / decrease in purchasing	6,762	-53,159		15,565
Increase / decrease in accrued consumption tax	-834	37,032		-23,254
Increase / decrease in amount received for uncompleted services	438,462	472,609		106,720
Others	19,904	95,766		-28,446
Subtotal	1,701,260	1,378,181	-323,078	289,665
Interest and dividend income	8,230	10,340		11,655
Interest paid	-7,021	-7,612		-14,482
Income taxes paid	-52,567	-43,712		-71,466
Income taxes refund	1,783	1,761		1,783
Net cash provided by operating activities	1,651,684	1,338,958	-312,726	217,155

	FY 2006 Interim (from January 1, 2006 to June 30, 2006)	FY 2007 Interim (from January 1, 2007 to June 30, 2007)	YOY	FY 2006 (from January 1, 2006 to December 31, 2006)
Category	Amount (thousand yen)	Amount (thousand yen)	Increase / decrease (thousand yen)	Amount (thousand yen)
II Cash flows from investing activities				
Net decrease in time deposits	-1,070,238	-1,070,872		-2,161,266
Net proceeds from time deposits	1,069,981	1,070,238		2,160,747
Aquisition of property, plant and equipment	-9,707	- 1,057		-13,995
Proceeds from sales of property, plant and equipment	-	38		-
Payments for acquisition of intangible assets	-55,543	-32,732		-102,075
Payment for acquisition of investments and other assets	-24,417	- 8,715		-31,450
Proceeds from sales of investments and other assets	19,602	4,180		59,631
Net cash used in investing activities	-70,322	-38,921	31,401	-88,409
III Cash flows from financing activities				
Increase / decrease of short-term debt	-	- 1,000,000		-
Payments for acquisition of treasury stock	-776	-487		-1,117
Payment of dividends	-88,960	-74,139		-90,001
Net cash used in financing activities	-89,736	-1,074,626	-984,890	-91,118
IV Effect of exchange rate changes on cash and cash equivalents	-170	276	447	517
V Net increase / decrease in cash and cash equivalents	1,491,454	225,686	-1,265,768	38,145
VI Balance of cash and cash equivalents at beginning of the year	2,453,098	2,491,243	38,145	2,453,098
VII Balance of cash and cash equivalents at end of the year	3,944,553	2,716,930	-1,227,622	2,491,243

(Significant Accounting Policies in the Presentation of the Interim Consolidated Financial Statements)
There were no significant changes since the most recent interim report filing (submitted September 27, 2006).
Consequently, this section has been omitted.

(Changes in Significant Accounting Policies)

FY 2006 Interim (from January 1, 2006 to June 30, 2006)	FY 2007 Interim (from January 1, 2007 to June 30, 2007)	FY 2006 (from January 1, 2006 to December 31, 2006)
<p>(Accounting standard for impairment of fixed assets) Effective from this interim period, the Company has applied the Accounting Standard for the Impairment of Fixed Assets (Opinion Concerning Establishment of Accounting Standard for the Impairment of Fixed Assets [Business Accounting Council, August 9, 2002]) and Implementation Guidance for the Accounting Standard for Impairment of Fixed Assets (Financial Accounting Standard Implementation Guidance No. 6 [Accounting Standards Board of Japan, October 31, 2003]). As a result, income before income taxes decreased by ¥800,000 thousand in this fiscal year. The cumulative amount of impairment loss was deducted directly from the book value of each asset in accordance with the amended accounting policy.</p>	-	<p>(Accounting standard for impairment of fixed assets) Effective from this fiscal year, the Company has applied the Accounting Standard for the Impairment of Fixed Assets (Opinion Concerning Establishment of Accounting Standard for the Impairment of Fixed Assets [Business Accounting Council, August 9, 2002]) and Implementation Guidance for the Accounting Standard for Impairment of Fixed Assets (Financial Accounting Standard Implementation Guidance No. 6 [Accounting Standards Board of Japan, October 31, 2003]). As a result, income before income taxes decreased by ¥800,000 thousand in this fiscal year. The cumulative amount of impairment loss was deducted directly from the book value of each asset in accordance with the amended accounting policy.</p>
<p>(Accounting standard for the presentation of net assets in the balance sheets) From the interim period under review, the Company has applied the Accounting Standard for Presentation of Net Assets in the Balance Sheets (Corporate Accounting Standard No. 5 [Accounting Standards Board of Japan, December 9, 2005]) and Implementation Guidance for the Accounting Standard for Presentation of Net Assets in the Balance Sheets (Corporate Accounting Standard Implementation Guidance No. 8 [Accounting Standards Board of Japan, December 9, 2005]). Total shareholders' equity as previously presented would amount to ¥6,403,478 thousand. In addition, for the interim period under review, net assets in the consolidated balance sheets have been presented according to the revised rules applying to consolidated financial statements.</p>	-	<p>(Accounting standard for the presentation of net assets in the balance sheets) From the fiscal year under review, the Company has applied the Accounting Standard for Presentation of Net Assets in the Balance Sheets (Corporate Accounting Standard No. 5 [Accounting Standards Board of Japan, December 9, 2005]) and Implementation Guidance for the Accounting Standard for Presentation of Net Assets in the Balance Sheets (Corporate Accounting Standard Implementation Guidance No. 8 [Accounting Standards Board of Japan, December 9, 2005]). Total shareholders' equity as previously presented would amount to ¥5,957,310 thousand. In addition, for the fiscal year under review, net assets in the consolidated balance sheets have been presented according to the revised rules applying to consolidated financial statements.</p>
	<p>(Change in the method of depreciation of fixed assets) In line with the amendment of the Corporation Tax Law [Law for Partial Amendment of the Income Tax Law etc. (March 30, 2007, Law No. 6) and Cabinet Order for Partial Amendment of the Corporation Tax Law Enforcement Ordinance (March 30, 2007, Cabinet Order No. 83)], depreciation expenses for fixed assets acquired on or after April 1, 2007, is computed by the method based on the amended Corporation Tax Law. As a result of this change, there is no material impact on income.</p>	-

(Omissions of Disclosure)

Notes to the Interim Consolidated Balance Sheets, Interim Consolidated Statements of Operations, Interim Consolidated Statement of Changes in Net Assets, Interim Consolidated Statements of Cash Flows, lease accounting, securities, derivatives and stock options have been omitted. This omission is due to recognition that these notes are less important to disclose in the interim financial results.

(Segment Information)

(1) Operational Segment

The previous consolidated fiscal year 2006 interim period (January 1, 2006 to June 30, 2006):

Original Engineering Consultants has only one segment, engineering consulting and related services. Therefore, no segment information is available.

The consolidated fiscal year 2007 interim period (January 1, 2007 to June 30, 2007):

Original Engineering Consultants has only one segment, which is engineering consulting and related services. Therefore, no segment information is available.

The previous consolidated fiscal year 2006 (January 1, 2006 to December 31, 2006):

Original Engineering Consultants has only one segment, engineering consulting and related services. Therefore, no segment information is available.

(2) Location of Segments

The previous consolidated fiscal year 2006 interim period (January 1, 2006 to June 30, 2006):

Original Engineering Consultants has no overseas branch offices or subsidiaries.

The consolidated fiscal year 2007 interim period (January 1, 2007 to June 30, 2007):

Original Engineering Consultants has no overseas branch offices or subsidiaries.

The previous consolidated fiscal year 2006 (January 1, 2006 to December 31, 2006):

Original Engineering Consultants has no overseas branch offices or subsidiaries.

(3) Overseas Sales

The previous consolidated fiscal year 2006 interim period (January 1, 2006 to June 30, 2006):

Overseas sales are less than 10% of total sales, thus the information is omitted.

The consolidated fiscal year 2007 interim period (January 1, 2007 to June 30, 2007):

Overseas sales are less than 10% of total sales, thus the information is omitted.

The previous consolidated fiscal year 2006 (January 1, 2006 to December 31, 2006):

Overseas sales are less than 10% of total sales, thus the information is omitted.

(Per share information)

FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		FY 2006 (from January 1, 2006 to December 31, 2006)	
Net assets per share	¥856.34	Net assets per share	¥800.27	Net assets per share	¥796.75
Net income per share	¥93.70	Net loss per share	¥13.98	Net loss per share	¥149.44
Net income per share after adjustment of residual securities is not shown, as there are no residual securities.		Same as at left		Net income per share after adjustment of residual securities is not shown, as there are no residual securities.	

Notes: 1. The basis for calculation of net income (loss) per share is as follows.

	FY 2006 Interim (from January 1, 2006 to June 30, 2006)	FY 2007 Interim (from January 1, 2007 to June 30, 2007)	FY 2006 (from January 1, 2006 to December 31, 2006)
Net income (loss) for the period (thousand yen)	-700,742	104,554	-1,117,511
Amount not attributed to common shareholders (thousand yen)	-	-	-
Net income (loss) attributed to common stock (thousand yen)	-700,742	104,554	-1,117,511
Average number of common stock outstanding (shares) during the period	7,478,374	7,476,355	7,477,837

2. The basis for calculation of net assets per share is as follows.

	FY 2006 Interim (from January 1, 2006 to June 30, 2006)	FY 2007 Interim (from January 1, 2007 to June 30, 2007)	FY 2006 (from January 1, 2006 to December 31, 2006)
Net assets for the period (thousand yen)	6,403,478	5,982,667	5,957,310
Deduction amount from total net assets (thousand yen)	-	-	-
Net assets attributed to common stock (thousand yen)	6,403,478	5,982,667	5,957,310
Number of common stock outstanding at end of the period (shares)	7,477,730	7,475,830	7,477,030

(Subsequent event)

Not applicable

NON-CONSOLIDATED FINANCIAL STATEMENTS

Non-Consolidated Interim Balance Sheets

Category	FY 2006 Interim (as of June 30, 2006)		FY 2007 Interim (as of June 30, 2007)		YOY	FY 2006 (as of December 31, 2006)	
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)	Ratio %
(Assets)							
I Current assets							
1. Cash and cash equivalents	5,973,427		4,761,200			4,558,497	
2. Accounts receivable	4,315		2,625			-	
3. Notes receivable	69,716		81,811			435,090	
4. Expenses of uncompleted services	514,411		558,166			858,563	
5. Others	176,826		124,214			196,947	
6. Allowance for doubtful accounts	-94,900		-55,911			-71,300	
Total current assets	6,643,797	71.3	5,472,107	68.5	-1,171,689	5,977,798	70.0
II Fixed assets							
1. Tangible fixed assets							
(1) Buildings	201,476		188,544			195,166	
(2) Land	310,432		310,432			310,432	
(3) Others	14,775		14,962			16,472	
Total tangible fixed assets	526,684		513,939			522,071	
2. Intangible fixed assets							
(1) Software	288,847		226,910			257,478	
(2) Others	14,317		14,317			14,317	
Total intangible fixed assets	303,164		241,227			271,796	
3. Investments and other assets							
(1) Investment in securities	780,205		724,745			731,368	
(2) Guarantee money receivable	190,208		187,253			186,314	
(3) Long-term deposits	700,000		700,000			700,000	
(4) Others	180,086		151,302			150,355	
(5) Allowance for doubtful accounts	-5,200		-2,200			- 5,200	
Total investments and other assets	1,845,300		1,761,101			1,762,838	
Total fixed assets	2,675,149	28.7	2,516,268	31.5	-158,880	2,556,705	30.0
Total assets	9,318,946	100.0	7,988,376	100.0	-1,330,570	8,534,504	100.0

Category	FY 2006 Interim (as of June 30, 2006)		FY 2007 Interim (as of June 30, 2007)		YOY	FY 2006 (as of December 31, 2006)				
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)	Ratio %			
(Liabilities)										
I Current liabilities										
1. Accounts payable	85,578		83,176			122,379				
2. Short-term debt	1,000,000		-			1,000,000				
3. Income taxes payable	29,940		32,232			47,464				
4. Advances received on uncompleted contracts	645,046		778,658			318,963				
5. Allowance for bonuses	18,000		18,150			17,810				
6. Others	263,456		301,552			203,541				
Total current liabilities		2,042,021	21.9		1,213,769	15.2	-828,252		1,710,158	20.1
II Fixed liabilities										
1. Deferred tax liabilities	154,209		131,748						134,430	
2. Allowance for retirement benefits	553,637		573,064						562,084	
3. Allowance for retirement benefits for directors and corporate auditors	165,159		123,879						170,079	
4. Others	31,943		14,681						22,054	
Total fixed liabilities		904,950	9.7		843,373	10.6	- 61,576		888,648	10.4
Total liabilities		2,946,972	31.6		2,057,142	25.8	- 889,829		2,598,807	30.5
(Net assets)										
I Shareholders' equity										
1. Common stock		1,093,000	11.7		1,093,000	13.6	-		1,093,000	12.8
2. Capital surplus										
Capital reserve	3,171,308		3,171,308						3,171,308	
Total capital surplus		3,171,308	34.1		3,171,308	39.7	-		3,171,308	37.1
3. Retained earnings										
(1) Earned reserve	273,250		273,250						273,250	
(2) Other retained earnings										
Voluntary reserve	2,464,500		1,314,500						2,464,500	
Retained earnings carried forward	-573,932		169,152						-980,811	
Total retained earnings		2,163,817	23.2		1,756,902	22.0	-406,914		1,756,938	20.6
4. Treasury stock		- 282,704	-3.0		-283,532	-3.5	-828		-283,045	-3.3
Total shareholders' equity		6,145,420	66.0		5,737,677	71.8	- 407,743		5,738,201	67.2
II Valuation and translation adjustments										
Net unrealized gains on other marketable securities		226,554	2.4		193,555	2.4	-32,998		197,496	2.3
Total valuation and translation adjustments		226,554	2.4		193,555	2.4	-32,998		197,496	2.3
Total net assets		6,371,974	68.4		5,931,233	74.2	-440,741		5,935,697	69.5
Total liabilities and net assets		9,318,946	100.0		7,988,376	100.0	-1,330,570		8,534,504	100.0

Non-Consolidated Interim Statements of Operations

Category	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		YOY	FY 2006 (from January 1, 2006 to December 31, 2006)	
	Amount (thousand yen)	Ratio %	Amount (thousand yen)	Ratio %	Increase/ decrease (thousand yen)	Amount (thousand yen)	Ratio %
I Net sales	2,820,958	100.0	3,055,350	100.0	234,391	4,312,235	100.0
II Cost of sales	2,093,878	74.2	2,314,064	75.7	220,185	3,300,681	76.5
Gross profit	727,079	25.8	741,285	24.3	14,205	1,011,553	23.5
III Selling, general and administrative expenses	639,779	22.7	628,414	20.6	-11,365	1,301,086	30.2
Operating income (loss)	87,299	3.1	112,870	3.7	25,570	-289,532	-6.7
IV Non-operating income	12,289	0.4	18,167	0.5	5,877	20,977	0.5
V Non-operating expenses	24,375	0.8	25,888	0.8	1,513	68,910	1.6
Ordinary income (loss)	75,213	2.7	105,149	3.4	29,935	-337,466	-7.8
VI Extraordinary gain	36,250	1.3	15,388	0.5	-20,862	63,250	1.4
VII Extraordinary loss	802,654	28.5	25,941	0.8	-776,713	802,728	18.6
Income (loss) before income taxes	-691,190	-24.5	94,596	3.1	785,787	-1,076,943	-25.0
Corporate/inhabitant taxes and income taxes	20,897	0.7	19,862	0.7	-1,034	42,023	0.9
Net income (loss)	-712,088	-25.2	74,733	2.4	786,822	-1,118,966	-25.9

Non-Consolidated Interim Statements of Changes in Net Assets

FY 2006 Interim (from January 1, 2006 to June 30, 2006)

(thousand yen)

	Shareholders' equity								Total shareholders' equity
	Common stock	Capital surplus		Earned reserve	Retained earnings			Treasury stock	
		Capital reserve	Total capital surplus		Other retained earnings		Total retained earnings		
					Voluntary reserve	Retained earnings carried forward			
Balance as of December 31, 2005	1,093,000	3,171,308	3,171,308	273,250	2,464,500	227,904	2,965,654	-281,928	6,948,033
Changes during the period									
Dividends						-89,748	-89,748		-89,748
Net loss						-712,088	-712,088		-712,088
Acquisition of treasury stock								-776	-776
Changes in items other than shareholders' equity									
Total changes during the period						-801,836	-801,836	-776	-802,612
Balance as of June 30, 2006	1,093,000	3,171,308	3,171,308	273,250	2,464,500	-573,932	2,163,817	-282,704	6,145,420

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2005	234,189	234,189	7,182,223
Changes during the period			
Dividend			-89,748
Net loss			-712,088
Acquisition of treasury stock			-776
Changes in items other than shareholders' equity	-7,635	-7,635	-7,635
Total changes during the period	-7,635	-7,635	-810,248
Balance as of June 30, 2006	226,554	226,554	6,371,974

FY 2007 Interim (from January 1, 2007 to June 30, 2007)

(thousand yen)

	Shareholders' equity								
	Common stock	Capital surplus		Retained earnings				Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus	Earned reserve	Other retained earnings		Total retained earnings		
					Voluntary reserve	Retained earnings carried forward			
Balance as of December 31, 2006	1,093,000	3,171,308	3,171,308	273,250	2,464,500	-980,811	1,756,938	-283,045	5,738,201
Changes during the period									
Reversal of voluntary reserve					-1,150,000	1,150,000			
Dividends						-74,770	-74,770		-74,770
Net loss						74,733	74,733		74,733
Acquisition of treasury stock								-487	-487
Changes in items other than shareholders' equity									
Total changes during the period					-1,150,000	1,149,963	-36	-487	-523
Balance as of June 30, 2007	1,093,000	3,171,308	3,171,308	273,250	1,314,500	169,152	1,756,902	-283,532	5,737,677

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2006	197,496	197,496	5,935,697
Changes during the period			
Reversal of voluntary reserve			
Dividend			-74,770
Net loss			74,733
Acquisition of treasury stock			-487
Changes in items other than shareholders' equity	-3,940	-3,940	-3,940
Total changes during the period	-3,940	-3,940	-4,463
Balance as of June 30, 2007	193,555	193,555	5,931,233

FY 2006 (from January 1, 2006 to December 31, 2006)

(thousand yen)

	Shareholders' equity								Total shareholders' equity
	Common stock	Capital surplus		Retained earnings			Treasury stock		
		Capital reserve	Total capital surplus	Earned reserve	Other retained earnings				
					Voluntary reserve	Retained earnings carried forward			
Balance as of December 31, 2005	1,093,000	3,171,308	3,171,308	273,250	2,464,500	227,904	2,965,654	-281,928	6,948,033
Changes during the period									
Dividends						-89,748	-89,748		-89,748
Net loss						-1,118,966	-1,118,966		-1,118,966
Acquisition of treasury stock								-1,117	-1,117
Changes in items other than shareholders' equity									
Total changes during the period						-1,208,715	-1,208,715	-1,117	-1,209,832
Balance as of December 31, 2006	1,093,000	3,171,308	3,171,308	273,250	2,464,500	-980,811	1,756,938	-283,045	5,738,201

(thousand yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gains on other marketable securities	Total valuation and translation adjustments	
Balance as of December 31, 2005	234,189	234,189	7,182,223
Changes during the period			
Dividend			-89,748
Net loss			-1,118,966
Acquisition of treasury stock			-1,117
Changes in items other than shareholders' equity	-36,693	-36,693	-36,693
Total changes during the period	-36,693	-36,693	-1,246,525
Balance as of December 31, 2006	197,496	197,496	5,935,697

Orders Received / Sales

(1) Consolidated Orders Received

Consolidated orders received are as follows.

(thousand yen)

Department	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		FY 2006 (from January 1, 2006 to December 31, 2006)	
	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Engineering Consultant: Water supply and sewerage system (planning, design, construction, supervision)	1,342,678	1,454,455	1,209,170	1,535,849	3,874,263	2,744,207
Others	12,303	18,455	21,542	144,160	161,158	152,650
Subtotal	1,354,981	1,472,910	1,230,713	1,680,009	4,035,421	2,896,857
Information Processing: Data management of urban facilities and software development	376,131	639,879	393,467	504,696	695,207	722,140
Subtotal	376,131	639,879	393,467	504,696	695,207	722,140
Total	1,731,113	2,112,789	1,624,180	2,184,706	4,730,628	3,618,997

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.

2. The quantity is not included due to the difficulty in recording.

(2) Consolidated Sales

Consolidated sales are as follows.

(thousand yen)

Department	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		FY 2006 (from January 1, 2006 to December 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Engineering Consultant: Water supply and sewerage system (planning, design, construction, supervision)	2,386,026	84.5	2,417,528	79.0	3,627,858	84.0
Others	29,568	1.0	30,032	1.0	44,228	1.0
Subtotal	2,415,594	85.5	2,447,560	80.0	3,672,087	85.0
Information Processing: Data management of urban facilities and software development	409,543	14.5	610,911	20.0	646,358	15.0
Subtotal	409,543	14.5	610,911	20.0	646,358	15.0
Total	2,825,138	100.0	3,058,472	100.0	4,318,445	100.0

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.

2. The quantity is not included due to the difficulty in recording.

(1) Non-Consolidated Orders Received

Non-consolidated orders received are as follows.

(thousand yen)

Department	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		FY 2006 (from January 1, 2006 to December 31, 2006)	
	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Engineering Consultant: Water supply and sewerage system (planning, design, construction, supervision)	1,342,478	1,453,785	1,208,370	1,535,449	3,873,743	2,743,857
Others	12,303	18,455	21,542	144,160	161,158	152,650
Subtotal	1,354,781	1,472,240	1,229,913	1,679,609	4,034,901	2,896,507
Information Processing: Data management of urban facilities and software development	373,391	637,631	391,225	503,088	691,587	720,402
Subtotal	373,391	637,631	391,225	503,088	691,587	720,402
Total	1,728,173	2,109,871	1,621,138	2,182,698	4,726,488	3,616,910

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.

2. The quantity is not included due to the difficulty in recording.

(2) Non-Consolidated Sales

Non-consolidated sales are as follows.

(thousand yen)

Department	FY 2006 Interim (from January 1, 2006 to June 30, 2006)		FY 2007 Interim (from January 1, 2007 to June 30, 2007)		FY 2006 (from January 1, 2006 to December 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Engineering Consultant: Water supply and sewerage system (planning, design, construction, supervision)	2,385,726	84.6	2,416,778	79.1	3,626,918	84.1
Others	29,568	1.0	30,032	1.0	44,228	1.0
Subtotal	2,415,294	85.6	2,446,810	80.1	3,671,147	85.1
Information Processing: Data management of urban facilities and software development	405,663	14.4	608,539	19.9	641,088	14.9
Subtotal	405,663	14.4	608,539	19.9	641,088	14.9
Total	2,820,958	100.0	3,055,350	100.0	4,312,235	100.0

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.

2. The quantity is not included due to the difficulty in recording.