



Interim FY2006

Nonconsolidated Interim Financial Summary

April 11, 2006

Listed company name: Link Theory Holdings Co., Ltd.

Listed exchange: TSE Mothers

Code: 3373

Headquarters: Tokyo

(URL <http://www.link-theory.com/>)

Representative: President & CEO Chikara Sasaki

Person to contact with inquiries: Director and Group CFO Hidetsugu Onishi

TEL (03) 3407—7502

Interim Board of Directors meeting: April 11, 2006

Are interim dividends paid? Yes

Scheduled start of interim dividend payments: —

Has a unit stock system been adopted? No

1. FY2006 interim results (September 1, 2005 – February 28, 2006)

(1) Operating results (Note: Amounts shown are rounded off to the nearest million yen.)

	Net sales		Operating income		Ordinary income	
	(Million yen)	%	(Million yen)	%	(Million yen)	%
Interim FY2006	1,050	94.5	522	359.6	549	289.4
Interim FY2005	540	—	113	—	141	—
FY 2005	1,080		128		108	

	Interim (annual) net income		Interim (annual) net income or loss/share	
	(Million yen)	%	(Yen)	(Sen)
Interim FY2006	523	789.6	3,583	26
Interim FY2005	58	—	4,098	22
FY 2005	67		(-374)	60

(Notes) ① Average number of shares during the term Interim FY2006 146,022 shares Interim FY2005 14,351 shares FY2005 61,396 shares

② Change in accounting methods None

③ Percentages for net sales, operating income, ordinary income, and net income show the interim (annual) rate of increase or decrease year on year.

(2) Dividends

	Interim dividend per share		Annual dividend per share	
	(Yen)	(Sen)	(Yen)	(Sen)
Interim FY2006	0	00	—	
Interim FY2005	0	00	—	
FY 2005	—		1,250	00

(3) Financial condition

(Note: Amounts shown are rounded off to the nearest million yen.)

	Total assets	Shareholders' equity	Equity ratio	Equity per share	
	(Million yen)	(Million yen)	%	(Yen)	(Sen)
Interim FY2006	19,111	16,351	85.6	108,253	58
Interim FY2005	11,216	6,784	60.5	455,960	67
FY 2005	18,978	15,973	84.2	217,635	67

(Notes) ① Shares outstanding at the end of the term Interim FY2006 151,048 shares Interim FY2005 14,880 shares FY2005 72,984 shares

② Treasury shares at the end of the term Interim FY2006 0 shares Interim FY2005 0 shares FY2005 0 shares

2. FY2006 Earnings Result Forecast (September 1, 2005 – August 31, 2006)

	Net sales	Ordinary income	Net income	Annual dividend per share	
				Year-end	
	(Million yen)	(Million yen)	(Million yen)	(Yen) (Sen)	(Yen) (Sen)
Annual	2,104	1,098	1,061	625 00	625 00

(Reference) Estimated net income per share (annual) ¥7,024.26

(Note) The estimated figures above have been forecasted based on information obtainable at the time. Actual results may be different from the above estimated figures due to various factors.

6. Non-consolidated Interim Financial Statements

(1) Interim Balance Sheet

Category	Note No.	End of prior interim accounting period (Feb. 28, 2005)		End of current interim accounting period (Feb. 28, 2006)		Prior fiscal year Summary balance sheet (Aug. 31, 2005)	
		Amount (¥000)	(%)	Amount (¥000)	(%)	Amount (¥000)	(%)
(Assets)							
I Current assets							
1. Cash and deposits		244,065		2,756,309		9,051,653	
2. Inventory		243		33		232	
3. Short-term loans to affiliates		800,000		1,000,000		500,000	
4. Other		480,332		221,445		86,647	
Total current assets		1,524,641	13.6	3,977,789	20.8	9,638,533	50.8
II Fixed assets							
1. Tangible fixed assets	*1,2	137,712	1.2	135,020	0.7	135,876	0.7
2. Intangible fixed assets		22,309	0.2	18,820	0.1	20,466	0.1
3. Investments and other assets							
(1) Stock of affiliates		4,640,264		9,481,394		4,640,264	
(2) Investments in affiliates		—		2,182,307		—	
(3) Long-term loans to affiliates		4,831,299		3,220,258		4,457,657	
(4) Other		60,305		95,708		85,299	
Total investments and other assets		9,531,869	85.0	14,979,668	78.4	9,183,221	48.4
Total fixed assets		9,691,891	86.4	15,133,509	79.2	9,339,564	49.2
Total assets		11,216,532	100.0	19,111,299	100.0	18,978,098	100.0
(Liabilities)							
I Current liabilities							
1. Short-term debt		380,000		—		—	
2. Long-term debt scheduled to be repaid within a year		730,000		650,000		650,000	
3. Allowance for bonuses		11,609		14,628		13,388	
4. Other	*4	602,318		200,054		139,378	
Total current liabilities		1,723,927	15.4	864,682	4.5	802,766	4.2
II Fixed liabilities							
1. Long-term debt		2,575,000		1,725,000		2,050,000	
2. Allowance for officers' retirement bonuses		132,910		170,130		151,410	
Total fixed liabilities		2,707,910	24.1	1,895,130	9.9	2,201,410	11.6
Total liabilities		4,431,837	39.5	2,759,812	14.4	3,004,176	15.8

Category	Note No.	End of prior interim accounting period (Feb. 28, 2005)		End of current interim accounting period (Feb. 28, 2006)		Prior fiscal year Summary balance sheet (Aug. 31, 2005)	
		Amount (¥000)	(%)	Amount (¥000)	(%)	Amount (¥000)	(%)
(Shareholders' equity)							
I Capital		2,560,060	22.8	6,332,448	33.1	6,314,668	33.3
II Capital surplus							
Capital surplus reserve		2,475,060		7,919,272		7,901,492	
Total capital surplus		2,475,060	22.1	7,919,272	41.5	7,901,492	41.6
III Retained earnings							
1. Legal reserve of retained earnings		21,250		21,250		21,250	
2. Interim (annual) unappropriated earnings		1,728,324		2,078,517		1,736,511	
Total retained earnings		1,749,574	15.6	2,099,767	11.0	1,757,761	9.3
Total shareholders' equity		6,784,694	60.5	16,351,487	85.6	15,973,921	84.2
Total liabilities and shareholders' equity		11,216,532	100.0	19,111,299	100.0	18,978,098	100.0

(2) Interim Income Statement

Category	Note No.	Prior interim accounting period (Sept. 1, 2004 - Feb. 28, 2005)		Current interim accounting period (Sept. 1, 2005 - Feb. 28, 2006)		Prior fiscal year summary income statement (Sept. 1, 2004 - Aug. 31, 2005)	
		Amount (¥000)	(%)	Amount (¥000)	(%)	Amount (¥000)	(%)
I Operating income		540,000		550,200		1,080,000	
1. Revenues from affiliate operations		—		500,000		—	
2. Revenues from affiliate dividends		540,000	100.0	1,050,200	100.0	1,080,000	100.0
II Operating expenses	*1	426,261	78.9	527,437	50.2	951,583	88.1
Operating income		113,738	21.1	522,762	49.8	128,416	11.9
III Non-operating income							
1. Interest income		41,073		33,710		81,267	
2. Lease income		1,553		1,115		2,127	
3. Other		—	7.9	728	3.4	993	7.8
IV Non-operating expenses							
1. Interest paid		14,590		6,745		27,946	
2. New stock issuance expenses		564		1,767		43,467	
3. Listing expenses		—	2.9	—	0.8	32,633	9.6
Ordinary income		141,210	26.1	549,804	52.4	108,756	10.1
V Extraordinary income							
1. Gain on sales of marketable securities		—	—	—	—	112	0.0
VI Extraordinary loss							
1. Loss on sales and disposal of fixed assets	*2	1,533		—		1,533	
2. Additional tax on unpaid withholding taxes, etc.		27,019	5.3	—	—	1,533	0.2
Interim (annual) net income before taxes		112,657	20.8	549,804	52.4	107,334	9.9
Corporate taxes, local taxes, and business taxes		68,155		28,227		75,211	
Corporate tax adjustment		(-14,311)	9.9	(-1,658)	2.6	(-34,877)	3.7
Interim (annual) net income		58,813	10.9	523,235	49.8	67,000	6.2
Balance brought forward		1,669,511		1,555,281		1,669,511	
Interim (annual) unappropriated earnings		1,728,324		2,078,517		1,736,511	