



Consolidated Financial Statements for the Term Ending May 2005

July 12, 2005

Name of Listed Company: CREED Corporation

Exchange: First Section of Tokyo Stock Exchange

Code: 8888

Prefecture of Head Office: Tokyo

(URL <http://www.creed.co.jp>)

Representative name: Representative director Toshihiko Muneyoshi

Contact: Executive Director, Finance and Account Manager Takeshi Sugahara TEL. (03) 3500-3180

Date of Board Meeting for Book Closing: July 12, 2005

Are U. S. accounting standards adopted: No

1. Consolidated results for the term ending May 2005 (June 1, 2004 to May 31, 2005)

(1) Consolidated financial results * Amounts are rounded to the nearest million

	Sales		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
Term ending May 2005	12,047	(16.8)	3,513	(60.2)	2,964	(64.4)
Term ending May 2004	10,310	(18.0)	2,193	(44.7)	1,803	(40.0)

	Current profit		Current profit per share		Fully diluted net profit per share	Return on equity	Ordinary profit margin on total assets	Ordinary profit margin on sales	
	Million yen	%	Yen	Sen	Yen	Sen	%	%	
Term ending May 2005	2,133	(104.8)	13,47	20	13,389	93	19.1	9.9	24.6
Term ending May 2004	1,041	(34.7)	14,37	40	14,209	26	14.1	8.7	17.5

(NOTE)

- (1) Gain or loss from equity method investment: a loss of 0 yen for the accounting term ending May 2005, and a loss of 0 yen for the accounting term ending May 2004
- (2) Average number of shares during term: 158,340 shares for the accounting term ending May 2005, and 72,474 shares for the accounting term ending May 2004
- (3) Change in accounting method: Yes
- (4) Percentages shown for sales, operating profit, ordinary profit, and current profit indicate the rate of increase or decrease compared to the term in the previous year.

(2) Consolidated financial conditions

	Total assets	Net worth	Net worth ratio	Net worth per share	
	Million yen	Million yen	%	Yen	Sen
Term ending May 2005	36,980	14,141	38.2	84,771	44
Term ending May 2004	23,064	8,181	35.5	112,218	97

(NOTE) Number of outstanding shares at end of term (on a consolidated basis): 166,816 shares for the accounting term ending May 2005, and 72,910 shares for the accounting term ending May 2004

(3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Closing balance of cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
Term ending May 2005	7,976	525	9,577	4,595
Term ending May 2004	3,033	236	2,452	2,513

(4) Matters concerning the scope of consolidation and the application of the equity method

Number of consolidated subsidiaries: 9, number of non-consolidated equity method companies: 0, number of affiliated equity method companies: 0

(5) Change in the scope of consolidation and the application of the equity method

Number of newly consolidated companies: 1, Number of companies excluded from consolidation: 15, Number of companies newly subject to the equity method: 0, Number of companies excluded from application of the equity method: 0

2. Forecast consolidated results for the term ending May 2006 (June 1, 2005 to May 31, 2006)

	Sales	Ordinary profit	Current net profit
	Million yen	Million yen	Million yen
Interim	9,300	2,000	1,470
Full year	17,000	5,000	3,200

(Reference) Forecast current profit per share (full year): ¥19,182.81

* The forecast results in the materials and the appendixes have been produced based upon information available as of the date these materials and appendixes were released. This means that it is possible that actual results will differ from the forecast numbers because of material factors. For further information about the forecast consolidated results mentioned above, please see Page 8 of the appendix.