

December 14, 2005

To whom it may concern

Company name           Creed Corporation  
 Representative name    President & CEO  
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 (Code number 8888 First Section of Tokyo Stock Exchange)  
 Contact                    Director, Finance and Account Manager  
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### Partial Revision of Summary of Financial Statements for the Past Year

Creed Corporation regrets to report several errors in the following summaries of financial statements. The errors are corrected below, with the corrected parts underlined.

#### NOTE

#### 1. Corrected Summary of Financial Statements

- (1) Summary of the Third Quarter Consolidated Financial Statements for the Term Ending May 2005
- (2) Summary of Financial Statements for the Term Ending May 2005
- (3) Summary of the First Quarter Consolidated Financial Statements for the Term Ending May 2006

#### 2. Corrected Part

- (1) Summary of the Third Quarter Consolidated Financial Statements for the Term Ending May 2005

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#### 1. (Summary) Quarterly Consolidated Balance Sheet

(Before correction)

(Unit: 1,000 yen)

	Current third quarter (As of February 28, 2005)		Previous third quarter (As of February 29, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2004)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>3,111,568</u>		948,280		1,703,011	
(2) Investment in silent partnership	<u>6,877,734</u>		4,966,072		4,798,331	
(3) Others	255,574		567,934		414,410	

(After correction)

(Unit: 1,000 yen)

	Current third quarter (As of February 28, 2005)		Previous third quarter (As of February 29, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2004)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>9,368,003</u>		948,280		1,703,011	
(2) Investment in silent partnership	<u>621,298</u>		4,966,072		4,798,331	
(3) Others	255,574		567,934		414,410	

## (Summary) Quarterly Financial Statement

## (1) (Summary) Quarterly balance sheet

(Before correction)

(Unit: 1,000 yen)

	Current third quarter (As of February 28, 2005)		Previous third quarter (As of February 29, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2004)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>2,922,568</u>		906,310		1,703,011	
(2) Affiliated company's stock	239,112		119,112		119,112	
(3) Capital contribution	1,000		87,736		1,000	
(4) Capital contribution to affiliated company	28,000		49,000		49,000	
(5) Investment in silent partnership	<u>6,110,782</u>		4,428,310		3,983,046	
(6) Investment in silent partnership of affiliate company	<u>811,868</u>		3,220,103		2,688,963	
(7) Long term loan to affiliated company	723,349		900,931		1,104,714	
(8) Security deposit and guarantee money	181,530		244,264		182,773	
(9) Others	41,036		30,823		37,500	

(After correction)

(Unit: 1,000 yen)

	Current third quarter (As of February 28, 2005)		Previous third quarter (As of February 29, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2004)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>9,033,351</u>		906,310		1,703,011	
(2) Affiliated company's stock	239,112		119,112		119,112	
(3) <u>Other affiliated company's securities</u>	<u>811,868</u>		-		-	
(4) Capital contribution	1,000		87,736		1,000	
(5) Capital contribution to affiliated company	28,000		49,000		49,000	
(6) Investment in silent partnership	-		4,428,310		3,983,046	
(7) Investment in silent partnership of affiliate company	-		3,220,103		2,688,963	
(8) Long term loan to affiliated company	723,349		900,931		1,104,714	
(9) Security deposit and guarantee money	181,530		244,264		182,773	
(10) Others	41,036		30,823		37,500	

## (2) Summary of Financial Statements for the Term Ending May 2005

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## 1. Financial Statement

## (1) Balance sheet

(Before correction)

(Unit: 1,000 yen)

Item	Term	8th term end (As of May 31, 2004)		9th term end (As of May 31, 2005)		Change
		Amount	Composition	Amount	Composition	Amount
3. Investments and other assets						
(1) Investments in securities		1,703,011		<u>9,984,785</u>		
(2) Affiliated company's stock		119,112		546,112		
(3) Capital contribution		1,000		1,000		
(4) Capital contribution to affiliated company		49,000		25,000		
(5) Investment in silent partnership	*1	3,983,046		-		
(6) Investment in silent partnership of affiliate company	*2	2,688,963		-		
(7) Long term loan		7,500		-		
(8) Long term loan to affiliated company		1,104,714		823,649		
(9) Long term prepaid expense		13,030		9,739		
(10) Security deposit and guarantee money		182,773		193,320		
(11) Others		16,970		26,251		

(After correction)

(Unit: 1,000 yen)

Item	Term	8th term end (As of May 31, 2004)		9th term end (As of May 31, 2005)		Change
		Amount	Composition	Amount	Composition	Amount
3. Investments and other assets						
(1) Investments in securities		1,703,011		<u>9,641,881</u>		
(2) Affiliated company's stock		119,112		546,112		
(3) <u>Other affiliated company's securities</u>		-		<u>342,904</u>		
(4) Capital contribution		1,000		1,000		
(5) Capital contribution to affiliated company		49,000		25,000		
(6) Investment in silent partnership	*1	3,983,046		-		
(7) Investment in silent partnership of affiliate company	*2	2,688,963		-		
(8) Long term loan		7,500		-		
(9) Long term loan to affiliated company		1,104,714		823,649		
(10) Long term prepaid expense		13,030		9,739		
(11) Security deposit and guarantee money		182,773		193,320		
(12) Others		16,970		26,251		

## Important Accounting Policy

(Before correction)

8th term ( From June 1, 2003 to May 31, 2004 )	9th term ( From June 1, 2004 to May 31, 2005 )
<p>1. Criteria and method for valuation of securities</p> <p>(1) Shares in subsidiary and affiliated company Recorded at cost using the moving average method</p> <p>(2) Other securities: Other securities with market value: The market value method based on the market price on the closing date is adopted (the entire valuation difference is treated using the method for direct entry in capital, and the cost of sale is calculated using the moving average method).</p> <p>Other securities without market value: Recorded at cost using the moving average method</p>	<p>1. Criteria and method for valuation of securities</p> <p>(1) Shares in subsidiary and affiliated company Same as shown left</p> <p>(2) Other securities: Other securities with market value: Same as shown left</p> <p>Other securities without market value: Recorded at cost using the moving average method. With respect to equity investment in investment enterprise limited partnerships and similar investments (those deemed as securities based on Paragraph 2 of Article 2 of the Securities and Exchange Law), an amount equivalent to a share of the assets of silent partnerships is recorded as "<u>investment securities</u>" at the time of investment in the silent partnerships. An amount equivalent to a share in profits and losses obtained from the business of the silent partnerships is recorded as an "operating profit and loss." At the same time, the amount is added to or subtracted from "<u>investment securities.</u>" If invested money (including an amount equivalent to a share in profits and losses obtained from business) is reimbursed by an operator, the amount of "<u>investment securities</u>" is reduced accordingly.</p>

(After correction)

<p style="text-align: center;">8th term From June 1, 2003 ( to May 31, 2004 )</p>	<p style="text-align: center;">9th term From June 1, 2004 ( to May 31, 2005 )</p>
<p>1. Criteria and method for valuation of securities</p> <p>(1) Shares in subsidiary and affiliated company Recorded at cost using the moving average method</p> <p>(2) Other securities: Other securities with market value: The market value method based on the market price on the closing date is adopted (the entire valuation difference is treated using the method for direct entry in capital, and the cost of sale is calculated using the moving average method).</p> <p>Other securities without market value: Recorded at cost using the moving average method</p>	<p>1. Criteria and method for valuation of securities</p> <p>(1) Shares in subsidiary and affiliated company Same as shown left</p> <p>(2) Other securities: Other securities with market value: Same as shown left</p> <p>Other securities without market value: Recorded at cost using the moving average method.</p> <p>With respect to equity investment in investment enterprise limited partnership and similar investments (those deemed as securities based on Paragraph 2 of Article 2 of the Securities and Exchange Law), an amount equivalent to a share of the assets of silent partnerships is recorded as “<u>investment securities</u>” or “<u>other affiliated company’s securities</u>” at the time of investment in the silent partnerships. An amount equivalent to a share of the profits and losses obtained from the business of the silent partnerships is recorded as “operating profit and loss.” At the same time, the amount is added to or subtracted from “<u>investment securities</u>” or “<u>other affiliated company’s securities.</u>” If invested money (including an amount equivalent to a share in profits and losses obtained from business) is reimbursed by an operator, the amount of “<u>investment securities</u>” or “<u>other affiliated company’s securities</u>” is reduced accordingly.</p>

## Change in method for indication

(Before correction)

8th term ( From June 1, 2003 to May 31, 2004 )	9th term ( From June 1, 2004 to May 31, 2005 )
<p>(Balance sheet)</p> <p>(1) Change in method for indication of deposited money</p> <p>The “deposited money” which was separately shown in the past is included in “others” of current assets because the amount of the deposited money is less than 1% of total assets. The amount of deposited money included in “others” of current assets was 60,493,000 yen for the term under review.</p>	<p>(Balance sheet)</p> <p>(1) Change in method for indication of deposited money</p> <p>The “deposited money” which was indicated by inclusion in “others” of current assets is shown separately because of an increase in its importance. The amount of deposited money which was included in “others” of current assets in the previous term was 60,493,000 yen.</p> <p>(2) Change in method of indication of money invested in silent partnership</p> <p><u>The Law for Partial Amendment of the Securities and Exchange Law (No. 97 law of 2004) was enacted on June 9, 2004 and came into effect on December 1, 2004. The “practical guideline for financial product accounting” (No. 14 accounting system committee report) was revised on February 15, 2005. We therefore changed the method of indicating equity investment in investment enterprise limited partnerships and similar investments (those deemed as securities based on Paragraph 2 of Article 2 of the Securities and Exchange Law) as investment securities beginning the term under review.</u></p> <p><u>The amount of equity investment included in “investment securities” is 7,193,246,000 yen for the term under review, and the amount of the equity investment for the previous year was 3,983,046,000 yen, which was invested in silent partnerships.</u></p>

(After correction)

8th term From June 1, 2003 ( to May 31, 2004 )	9th term From June 1, 2004 ( to May 31, 2005 )
<p>(Balance sheet)</p> <p>(1) Change in method for indication of deposited money</p> <p>The “deposited money” which was separately shown in the past is included in “others” of current assets because the amount of the deposited money is less than 1% of total assets. The amount of deposited money included in “others” of current assets was 60,493,000 yen for the term under review.</p>	<p>(Balance sheet)</p> <p>(1) Change in method for indication of deposited money</p> <p>The “deposited money” which was indicated by inclusion in “others” of current assets is shown separately because of an increase in its importance. The amount of deposited money which was included in “others” of current assets in the previous term was 60,493,000 yen.</p> <p>(2) Change in method of indication of money invested in silent partnership</p> <p><u>In the past, rights under certain silent partnership agreements were indicated through inclusion in “investment in silent partnership” or “investment in affiliated company silent partnership” of investment and other assets. Following the amendment of the Securities and Exchange Law and the enforcement regulations of the Securities and Exchange Law, however, 6,850,342,000 yen which corresponds to the securities as provided in the Securities and Exchange Law is indicated as “investment securities” of investment and other assets. Moreover, 342,904,000 yen of the “investment in affiliated company silent partnership” which corresponds to the securities as provided in the Securities and Exchange Law is indicated as “other affiliated company’s securities” of investment and other assets.</u></p>

## (3) Summary of the First Quarter Consolidated Financial Statements for the Term Ending May 2006

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## First Quarter Financial Statements

## (1) Quarterly balance sheet

(Before correction)

(Unit: 1,000 yen)

	Current first quarter (As of August 31, 2005)		Previous first quarter (As of August 31, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2005)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>9,710,884</u>		1,585,692		<u>9,984,785</u>	
(2) Affiliated company's stock	660,112		99,112		546,112	
(3) Capital contribution	1,000		6,625		1,000	
(4) Capital contribution to affiliated company	43,525		28,000		25,000	
(5) Investment in silent partnership	-		3,908,176		-	
(6) Investment in silent partnership of affiliate company	-		422,394		-	
(7) Long term loan	-		7,500		-	
(8) Long term loan to affiliated company	817,649		710,714		823,649	
(9) Long term prepaid expense	8,531		13,727		9,739	
(10) Security deposit and guarantee money	193,700		184,280		193,320	
(11) Others	25,939		17,979		26,251	

(After correction)

(Unit: 1,000 yen)

	Current first quarter (As of August 31, 2005)		Previous first quarter (As of August 31, 2004)		(Reference) Previous accounting term (full year) (As of May 31, 2005)	
	Amount	Composition	Amount	Composition	Amount	Composition
3. Investments and other assets						
(1) Investments in securities	<u>9,356,791</u>		1,585,692		<u>9,641,881</u>	
(2) Affiliated company's stock	660,112		99,112		546,112	
(3) <u>Other affiliated company's securities</u>	<u>354,092</u>		-		<u>342,904</u>	
(4) Capital contribution	1,000		6,625		1,000	
(5) Capital contribution to affiliated company	43,525		28,000		25,000	
(6) Investment in silent partnership	-		3,908,176		-	
(7) Investment in silent partnership of affiliate company	-		422,394		-	
(8) Long term loan	-		7,500		-	
(9) Long term loan to affiliated company	817,649		710,714		823,649	
(10) Long term prepaid expense	8,531		13,727		9,739	
(11) Security deposit and guarantee money	193,700		184,280		193,320	
(12) Others	25,939		17,979		26,251	