



Summary of the First Quarter Consolidated Financial Statements for the Term Ending May 2006:

October 6, 2005

Name of Listed Company: CREED Corporation (Code: 8888 Exchange: First Section of Tokyo Stock Exchange)

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

Representative: President and CEO Toshihiko Muneyoshi

Contact: Executive Director, Finance and Account Manager Takeshi Sugahara TEL: (03) 3500-3300

1. Conditions for the calculation of the quarterly results summary

- (1) Adoption of a summary method in the accounting treatment: Nil
- (2) Differences in accounting methods compared with those used in the most recent consolidated fiscal year: Nil
- (3) Change in scope of consolidation or application of the equity method: Yes

New consolidated companies: two companies. New equity method companies: one company

2. Consolidated results in the third quarter of the term ending May 2006 (from June 1, 2005 to August 31, 2005)

- (1) Development of consolidated managerial results * Amounts are rounded to the nearest million.

	Sales		Operating profit		Ordinary profit		Quarterly net profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Q1 of the term ending May 2006	4,525	56.8	1,408	80.3	1,234	72.1	975	175.9
Q1 of the term ending May 2005	2,885	26.7	781	76.8	717	80.9	353	52.6
The accounting term ending May 2005 (for reference)	12,047		3,513		2,964		2,133	

	Net profit per share		Fully diluted net profit per share	
	yen	sen	yen	sen
Q1 of the term ending May 2006	5,840	82	5,799	85
Q1 of the term ending May 2005	4,846	38	4,804	75
The accounting term ending May 2005 (for reference)	13,471	20	13,389	93

(Note) 1. Figures are rounded down to the nearest one million yen.

2. The percentages for sales, operating profit and other figures show the rates of year-on-year increase/decrease.

[Qualitative Information on the Progress of Business Results (consolidated), etc.]

During the quarter under review (from June 1, 2005 to August 31, 2005), the Japanese economy benefited from rising capital investment and consumer spending, against a backdrop of improved corporate earnings, and staged a moderate recovery. Still, the future remains unclear, given concerns such as the effect of crude oil prices on domestic and overseas economies.

In the real estate investment and management market, in which the Group operates, the inflow of funds for investment in the domestic real estate investment and management market continued, spurred by the bottoming out of land prices and rents, the improved liquidity of real estate and the transparency of real estate transactions, and the continued excess liquidity and difficulties in investment. The inflow of funds for investment in the domestic real estate investment and management market is expected to continue in the future, reflecting the sale of real estate held by companies as a result of the application of asset impairment accounting, progress in trade between institutional investors and the establishment of a position as base assets in the asset investment portfolio. The market appears set to continue to expand.

In this environment, the Group has adopted a central strategy of introducing a new business model with three businesses, namely the investment business, real estate services and real estate operations, as its core. It is also rebuilding the corporate infrastructure to sustain high growth. The Group has also aggressively developed businesses with the objective of achieving ordinary profit of 5.0 billion yen and an investment asset balance of 300.0 billion yen as of the end of the term in question, as well as ordinary profit of 7.0 billion yen and an investment asset balance of 800.0 billion yen for the term ending May 2008. As a result, the consolidated financial results for the quarter in question included sales of 4525 million yen (up 56.8% on a year-on-year basis), operating profit of 1408 million yen (rising 80.3%), ordinary profit of 1234 million yen (up 72.1%) and quarterly net profit of 975 million yen (up 175.9%).

The segment result by each business category is as follows: