

FOR IMMEDIATE RELEASE

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JOINT CORPORATION ANNOUNCES RESULTS OF OPERATIONS
FISCAL YEAR ENDED MARCH 31, 2007

Tokyo, Japan – [May 14, 2007] – Joint Corporation (“Joint”) (TSE: 8874), today announces the results of its operations for the fiscal year ended March 31, 2007. The results are unaudited and prepared in accordance with Japanese GAAP.

Consolidated Financial Highlights for the Fiscal Year Ended March 31, 2007

(¥ million, except EPS)	March 31, 2007	March 31, 2006	Y o Y change (%)
Revenue	168,526	136,720	23.3
Operating Income	24,043	16,072	49.6
Ordinary Income	20,641	13,009	58.7
Net Income	1 12,934	2 11,928	8.4
EPS	295.70	294.86	0.3

Consolidated Financial Position

(¥ million)	March 31, 2007	March 31, 2006
Total Assets	291,817	217,625
Shareholders' equity	74,879	61,584
Shareholders' equity ratio (%)	25.4	28.3
Shareholders' equity per share (¥)	1,687.41	1,408.92

Consolidated Cash Flows Position

(¥ million)	March 31, 2007	March 31, 2006
Cash flows from operating activities	60,339	18,851
Cash flows from investing activities	8,355	2,698
Cash flows from financing activities	58,342	21,799
Cash and cash equivalents	38,972	31,995

1. Includes extraordinary income (after tax) of 1,165 mil yen.

2. Includes extraordinary income (after tax) of 4,576 mil yen.

This document is a brief summary of financial statement (“tanshin”) for reference.
If there is any difference between the contents of this document and those of “tanshin”, “tanshin” will always prevail over this document.

Segment Information

(¥ million)	Revenue	Operating Income
Securitization Development	76,043	17,180
Condominium Development	76,293	6,307
Leasing	8,273	773
Property Management	4,382	152
Others	4,498	648
Adjustment	965	1,019
Total	168,526	24,043

Financial Forecasts for Year ending March 31, 2008

(¥ million except EPS)	
Revenue	199,300
Operating Income	28,700
Ordinary Income	23,500
Net Income	13,500
EPS	307.90

About Joint

Joint Corporation (“Joint”) has three businesses; Securitization development, Condominium development and Real estate related business (combining “leasing”, “property management” and “other”). Founded in 1986, Joint has provided over 15,000 units of condominiums by focusing on central and southern area of Tokyo. Since 2001, Joint has started to develop and sell residential, commercial and other properties to REITs and real estate investors. Joint was listed on the Japanese OTC market (JASDAQ) in 1998 and has been traded on the Tokyo Stock Exchange (TSE) first section since 2001 under ticker 8874.

Corporate Headquarter

2-10-11 Meguro, Meguro-ku, Tokyo, Japan 153-0063

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Consolidated Balance Sheets for the Year Ended March 31, 2007

(¥ million, %)

	March 31, 2006			March 31, 2007			Y on Y change
			%			%	
(Assets)							
Current assets							
1 Cash and time deposits		32,730			39,107		6,377
2 Trade accounts receivable		1,406			1,552		146
3 Inventories		156,727			216,276		59,548
4 Investments for real estate held for sale		2,300			1,335		965
5 Investments for joint business		-			1,200		1,200
6 Advance paid for purchases		3,201			8,803		5,601
7 Deferred income taxes		1,015			1,213		198
8 Other current assets		7,923			9,047		1,123
Allowance for doubtful accounts		96			115		18
Total current assets		205,209	94.3		278,421	95.4	73,212
Fixed assets							
1 Tangible fixed assets							
(1) Buildings and structures	2,600			2,680			
Depreciation and amortization	620	1,980		663	2,017		36
(2) Land		2,539			2,614		74
(3) Construction in progress		-			256		256
(4) Other	600			548			
Depreciation and amortization	325	274		322	225		48
Total tangible fixed assets		4,794	2.2		5,113	1.8	318
2 Intangible fixed assets							
(1) Consolidation adjustment		188			-		188
(2) Goodwill		-			41		41
(3) Other		346			319		26
Total intangible fixed assets		535	0.2		361	0.1	173
3 Investments and other assets							
(1) Marketable securities		4,188			4,414		225
(2) Related company stocks		-			826		826
(3) Long-term loan		284			239		45
(4) Deferred income taxes		162			10		152
(5) Other investments		2,483			2,581		97
Allowance for doubtful accounts		32			150		117
Total Investments and other assets		7,086	3.3		7,921	2.7	834
Total fixed assets		12,416	5.7		13,396	4.6	979
Total assets		217,625	100.0		291,817	100.0	74,192

(¥ million, %)

(Liabilities)	March 31, 2006			March 31, 2007			Y on Y change
			%			%	
Current liabilities							
1 Trade accounts payable		16,676			18,240		1,564
2 Short-term bank loans		46,476			80,468		33,992
3 Bond due within one year		9,325			11,530		2,205
4 Commercial paper		-			10,000		10,000
5 Income taxes payable		7,732			7,251		481
6 Advances and deposits received		4,613			5,349		736
7 Accrued expenses		228			214		13
8 Directors' accrued expenses		-			180		180
9 Other current liabilities		5,315			5,508		192
Total current liabilities		90,367	41.5		138,743	47.5	48,375
Long-term liabilities							
1 Bond		9,630			13,510		3,880
2 Long-term debt due after one year		46,359			58,174		11,815
3 Retirement benefits		116			103		13
4 Long-term claims payable		4,391			3,909		481
5 Other long-term liabilities		4,132			2,498		1,634
Total long-term liabilities		64,630	29.7		78,195	26.8	13,565
Total liabilities		154,998	71.2		216,938	74.3	61,940
(Minority interests in consolidated subsidiaries)							
Minority interests in consolidated subsidiaries		1,043	0.5		-	-	-

	March 31, 2006		March 31, 2007		
(Shareholders' equity)					
Common stock	15,800	7.3	-	-	-
Capital surplus	15,687	7.2	-	-	-
Retained earnings	30,230	13.9	-	-	-
Net unrealized gains on other securities	28	0.0	-	-	-
Treasury stock	105	0.1	-	-	-
Total shareholders' equity	61,584	28.3	-	-	-
Total liabilities and shareholders' equity	217,625	100.0	-	-	-
(Net assets)					
Shareholders' equity					
1 Common stock	-	-	15,821	5.4	-
2 Capital surplus	-	-	15,808	5.4	-
3 Retained earnings	-	-	41,973	14.4	-
4 Treasury stock	-	-	1	0.0	-
Total shareholders' equity	-	-	73,601	25.2	-
Net unrealized gains					
1 Net unrealized gains on other securities	-	-	394	0.2	-
2 Net unrealized gains on hedging contracts	-	-	11	0.0	-
Total net unrealized gains	-	-	383	0.2	-
Minority interests in consolidated subsidiaries	-	-	893	0.3	-
Total net assets	-	-	74,879	25.7	-
Total liabilities and net assets	-	-	291,817	100.0	-

Consolidated Statements of Income for the Year Ended March 31, 2007

(¥ million, %)

	March 31, 2006			March 31, 2007			Y on Y Change
			%			%	
Net sales		136,720	100.0		168,526	100.0	31,805
Cost of sales		107,741	78.8		127,063	75.4	19,321
Gross income		28,978	21.2		41,463	24.6	12,484
Selling, general and administrative expenses							
1 Advertisement	3,919			5,308			
2 Directors' compensation	431			361			
3 Compensation	3,430			4,256			
4 Accrued expenses	96			263			
5 Directors' accrued expenses	-			180			
6 Retirement benefits	81			99			
7 Tax	852			1,371			
8 Depreciation and amortization	199			207			
9 Allowance for doubtful accounts	-			147			
10 Others	3,893	12,906	9.4	5,223	17,419	10.3	4,513
Operating income		16,072	11.8		24,043	14.3	7,970
Non-operating income							
1 Interest income	17			88			
2 Dividend income	16			175			
3 Guarantee fees	-			68			
4 Gains from recovery of written-off receivables	13			31			
5 Gains on valuation of interest rate swap contracts	55			39			
6 Gains on repayment of long-term claims payable	61			45			
7 Others	62	225	0.1	116	566	0.3	341
Non-operating expenses							
1 Interest expenses	2,080			2,470			
2 Fee expenses	846			1,066			
3 Participation in loss of investment	37			149			
4 Others	323	3,288	2.4	282	3,968	2.3	680
Ordinary income		13,009	9.5		20,641	12.3	7,631

(¥ million, %)

	March 31, 2006			March 31, 2007			Y on Y Change
Extraordinary gains							
1 Gains on sale of marketable securities	-			29			
2 Gains on repayment of reorganization claims payable	8,121			-			
3 Gains on sales of fixed assets	209			28			
4 Gains on sales of business	-			2,028			
5 Others	36	8,367	6.1	-	2,085	1.2	6,281
Extraordinary losses							
1 Loss on disposal of fixed assets	16			22			
2 Loss on sale of subsidiaries' stock	4			-			
3 Realized loss on marketable securities	7	28	0.0	-	22	0.0	5
Income before income taxes and others		21,348	15.6		22,704	13.5	1,355
Corporate income, residential and enterprise taxes	9,535			9,850			
Adjustment for income taxes	533	9,002	6.6	341	9,509	5.6	507
Minority interests		417	0.3		259	0.2	157
Net income		11,928	8.7		12,934	7.7	1,005

Consolidated Statements of Cash Flows for the Year Ended March 31, 2007

(¥ million)

	March 31, 2006	March 31, 2007	Y on Y change
Cash flows from operating activities			
Income before income taxes	21,348	22,704	1,355
Depreciation and amortization	261	310	48
Gains on repayment of reorganization claims payable	8,121	-	8,121
Write-down of goodwill	-	152	152
Write-down from consolidation adjustment	120	-	120
Write-down of goodwill (business)	18	-	18
Increase in allowance for doubtful accounts	40	136	177
Increase in accrued expenses	32	13	46
Increase in directors' accrued expenses	-	180	180
Increase in retirement benefits	66	13	52
Increase in directors' retirement benefits	41	-	41
Interest and dividend income	33	264	230
Interest expenses	2,080	2,470	390
Gains on sale of business	-	2,028	2,028
Loss on disposal of fixed assets	16	22	6
Gains on sales of fixed assets	209	28	181
Increase in account receivables	276	146	130
Increase in loan lent	-	1,379	1,379
Increase in inventories	33,456	65,645	32,188
Increase in investments for real estate held for sale	5,516	829	4,687
Increase in investment for joint business	-	1,200	1,200
Increase in trade notes and accounts payable	424	1,666	1,241
Increase in advances paid for purchases	1,553	5,601	4,048
Increase in advances and deposits receipt	1,776	722	1,053
Increase in sales taxes payable	407	455	862
Increase in deposits	74	320	395
Increase in directors' bonus paid	59	115	56
Increase in other current assets	1,502	790	2,292
Increase in other fixed assets	302	144	447
Increase in other current liabilities	417	465	883
Increase in other long-term liabilities	1,471	1,685	3,157
Total	12,681	47,661	34,979
Interest and dividends received	66	257	191
Interest paid	2,122	2,583	461
Income taxes paid	4,113	10,352	6,239
Net cash provided by (used in) operating activities	18,851	60,339	41,488

(¥ million)

	March 31, 2006	March 31, 2007	Y on Y change
Cash flows from investing activities			
Payments for purchase of marketable securities	2,858	-	2,858
Proceeds from sale of marketable securities	25	552	526
Payments for purchase of tangible fixed assets	354	685	331
Proceeds from disposal of tangible fixed assets	599	133	466
Payments for acquisition of intangible fixed assets	167	80	87
Proceeds from return of investments	81	28	53
Proceeds from sale of business	-	9,780	9,780
Payments for acquisition of subsidiaries' stocks	-	377	377
Payments for acquisition of related company stocks	-	924	924
Payments for acquisition of treasury stocks at subsidiary	0	29	29
Payments for making loans	2,577	4,666	2,089
Proceeds from loan repayment	3,271	4,128	857
Payments for making time deposits	723	111	612
Proceeds from withdrawal of time deposits	-	611	611
Increase in other investment	6	4	10
Net cash provided by (used in) investing activities	2,698	8,355	11,054
Cash flows from financing activities			
Proceeds from short-term loans	36,027	120,302	84,274
Repayment of short-term loans	37,068	82,964	45,896
Proceeds from long-term debt	61,736	74,368	12,631
Repayment of long-term debt	45,214	68,587	23,372
Increase in reorganization claims payable	11,185	-	11,185
Proceeds from issuance of commercial paper	-	28,200	28,200
Payments for redemption of commercial paper	-	18,200	18,200
Proceeds from issuance of bond	3,755	16,410	12,655
Payment for redemption of bond	2,319	10,325	8,005
Proceeds from issuance of new stocks	16,250	48	16,201
Proceeds from sale of treasury stocks	293	203	89
Payment for acquisition of treasury stocks	7	0	6
Payment for acquisition of treasury stocks at subsidiary	-	31	31
Cash dividend paid	467	1,090	624
Dividend payment for minority shareholders	2	-	2
Proceeds from minority shareholders	-	10	10
Net cash provided by (used in) financing activities	21,799	58,342	36,542
Net increase in cash and cash equivalents	249	6,358	6,108
Effects of consolidation change on cash and cash equivalents	-	618	618
Effects of consolidation exclusion on cash and cash equivalents	1	-	1
Cash and cash equivalents at beginning of year	31,747	31,995	248
Cash and cash equivalents at year-end	31,995	38,972	6,977