



News Release Dated October 25, 2007

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AOKI Holdings Subsidiary VALIC Revises First-half and Full-year Business Forecasts

VALIC Co., Ltd., a subsidiary of AOKI Holdings Inc., has revised its forecasts for the first half and full year of fiscal year ending March 31, 2008 (April 1, 2007 - March 31, 2008) due to recent trends in operating results. These forecasts replace the figures that were announced on August 2, 2007. Details are as follows.

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Revisions to Forecasts for the First Half and Full Year of Fiscal Year Ending March 31, 2008

Due to recent trends in operating results, VALIC Co., Ltd. has revised its forecasts for the first half and full year of fiscal year ending March 31, 2008 (April 1, 2007 - March 31, 2008) as follows. The previous forecasts were announced on August 2, 2007.

1. Revisions to forecasts for the first half of fiscal year ending March 31, 2008

(April 1, 2007 – September 30, 2007)

(Millions of yen)

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	9,560	680	630	295
Revised forecast (B)	9,693	777	771	370
Change (B - A)	133	97	141	75
Percentage change (%)	1.4	14.3	22.4	25.4
(Reference)				
Previous first half (ended September 30, 2006)	8,346	532	523	254

2. Revisions to forecasts for the fiscal year ending March 31, 2008 (April 1, 2007 - March 31, 2008)

(Millions of yen)

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	20,050	1,540	1,460	570
Revised forecast (B)	20,100	1,600	1,540	600
Change (B - A)	50	60	80	30
Percentage change (%)	0.2	3.9	5.5	5.3
(Reference)				
Previous fiscal year (ended March 31, 2007)	17,403	1,302	1,284	453

* Above forecasts are based on judgments made in accordance with information available to management at the time this release was prepared, and actual results may differ substantially from these forecasts for a number of reasons.

3. Reasons for revisions

First half

- (1) We revise our previous sales forecast as we now expect sales to exceed that forecast since existing-store sales in the karaoke facility (+1.9% year-on-year) and café complex (+5.9% year-on-year) operations have trended favorably due to the success of our marketing strategies.
- (2) We are raising our operating profit and ordinary income forecasts due to strong sales, the selection of advertising media appropriate to each regional characteristics, and the effective renovation of facilities.
- (3) We now expect interim net income to reach the level projected above reflecting higher-than-expected ordinary income.

Full year

We raise our full-year sales forecast to 20,100 million yen, operating profit forecast to 1,600 million yen, ordinary income forecast to 1,540 million yen, and net income forecast to 600 million yen, reflecting our first-half business performance, and revisions to our schedule for new store openings in the second half.