AOKI Holdings

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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, 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) as follows.

1. Revisions to forecasts for the first half of fiscal year ending March 31, 2008 (April 1, 2007 – September 30, 2007)

(1) Consolidated *(Millions of yen)*

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	56,400	2,430	2,860	1,000
Revised forecast (B)	57,050	3,200	3,500	1,450
Change (B - A)	650	770	640	450
Percentage change (%)	1.2	31.7	22.4	45.0
Previous first half (ended September 30, 2006)	48,556	2,359	2,850	1,142

(2) Non-consolidated *(Millions of yen)*

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	34,500	990	1,300	500
Revised forecast (B)	34,790	1,550	1,840	900
Change (B - A)	290	560	540	400
Percentage change (%)	0.8	56.6	41.5	80.0
Previous first half (ended September 30, 2006)	32,386	845	1,248	(90)

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

(1) Consolidated *(Millions of yen)*

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	127,800	11,700	12,450	5,450
Revised forecast (B)	128,300	12,100	12,650	5,500
Change (B - A)	500	400	200	50
Percentage change (%)	0.4	3.4	1.6	0.9
Previous fiscal year (ended March 31, 2007)	112,143	10,889	11,749	5,151

(2) Non-consolidated *(Millions of yen)*

	Sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	81,350	7,980	8,500	4,100
Revised forecast (B)	81,750	8,200	8,700	4,200
Change (B - A)	400	220	200	100
Percentage change (%)	0.5	2.8	2.4	2.4
Previous fiscal year (ended March 31, 2007)	77,807	7,361	8,004	3,085

3. Reasons for revisions

(1) First half

In the Fashion Business, all suit brands continued to post strong sales, including AOKI's *Mote Slim Cool* suits, suits sold under the new *JEAN RENO* and *MAJI* brands, and *Gokujo Cool* functional suits. Also, average sales per customer rose as stylists offered ideas for coordinated outfits under the stylist system introduced four years ago. The result was a year-on-year increase of 1.8% in existing-store sales. Also, new store openings progressed in line with plans, and sales trended strong at each newly opened store.

RAVIS Inc. (Bridal Business), a consolidated subsidiary of ours, opened its third facility – PARTIRE ESAKA WEDDING VILLAGE (Suita City, Osaka) – in the Kansai area, and VALIC Co., Ltd. (Entertainment Business), another subsidiary of ours, opened a new facility in line with plans, and sales at its existing facilities were strong.

We revise upward our forecasts for operating profit, ordinary income, and net income, due to an increase in sales, an improvement in the gross profit margin, and reductions in selling, general and administrative expenses. See the above tables for details.

(2) Full year

We also revise our full-year forecasts, reflecting the revisions to our first-half forecasts, and in light of a review to selling, general and administrative expenses. See the above tables for details.

Note: Actual results may differ from the above forecasts for a number of factors.