

Consolidated Financial Statements

May 10,2005

For the Fiscal Year Ended March 31, 2005

OILES Corporation

Code No : 6282
 URL : http://www.oiles.co.jp/en/
 Stock Exchange Listed : Tokyo Stock Exchange – First Section
 Corporate Headquarters : Minato-ku, Tokyo Japan
 Representative : Eiji Sato, President
 Investor Relations : Shuhei Shinohara, Managing Director /Tel (03)3433-1371
 Date of the meeting of the Board of Directors for approval of consolidated financial statements : May 10, 2005
 Adoption of U.S.GAAP : No

1. Consolidated Financial Result for the Fiscal Years Ended March 31, 2005 and 2004

(1) Consolidated Statements of Operations (Millions of yen, except per share amounts)

| | Net Sales | | Operating Income | | Ordinary Income | |
|--------------------------|-----------|------|------------------|---------|-----------------|---------|
| Year Ended March 31,2005 | 48,929 | 0.4% | 3,447 | (21.6)% | 3,733 | (17.2)% |
| Year Ended March 31,2004 | 48,725 | 0.9% | 4,399 | (10.0)% | 4,507 | (9.4)% |

| | Net Income | | Net Income Per Share | Diluted Net Income Per Share | ROE [Ratio of Net Income to Shareholder's Equity] | Ordinary Income / Total Assets | Ordinary Income / Net Sales |
|--------------------------|------------|---------|----------------------|------------------------------|---|--------------------------------|-----------------------------|
| Year Ended March 31,2005 | 2,146 | (11.3)% | 108.19yen | 108.12yen | 5.2% | 6.6% | 7.6% |
| Year Ended March 31,2004 | 2,421 | (12.2)% | 119.47yen | 119.41yen | 6.1% | 8.0% | 9.2% |

(Note) 1. Equity in earnings (loss) of affiliates : For the fiscal year ended March 31, 2005 : 1 million yen
 : For the fiscal year ended March 31, 2004 : 6 million yen
 2. Weighted average number of shares outstanding : For the fiscal year ended March 31, 2005 : 19,344,209 shares
 : For the fiscal year ended March 31, 2004 : 19,755,630 shares
 3. Change of accounting policy : No
 4. Percentage above represents annual changes over the preceding year unless otherwise stated.

(2) Consolidated Financial Positions (Millions of yen, except per share amounts)

| | Total Assets | Shareholders' Equity | Ratio of Shareholders' Equity to Total Assets | Shareholders' Equity Per Share |
|--------------------------|--------------|----------------------|---|--------------------------------|
| Year Ended March 31,2005 | 56,598 | 42,198 | 74.6% | 2,189.99yen |
| Year Ended March 31,2004 | 55,831 | 41,053 | 73.5% | 2,077.82yen |

Note Number of shares outstanding at end of period : March 31, 2005 : 19,268,945 shares
 : March 31, 2004 : 19,757,719 shares

(3) Consolidated Cash Flows

(Millions of yen)

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents Fiscal Year End |
|--------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---|
| Year Ended March 31,2005 | 4,821 | (3,893) | (3,521) | 8,359 |
| Year Ended March 31,2004 | 4,600 | (2,566) | (2,571) | 10,952 |

(4) Number of Consolidated Subsidiaries and Companies Accounted for Using the Equity Method

The number of consolidated subsidiaries : 16
 The number of unconsolidated subsidiaries accounted for using the equity method : -
 The number of affiliated companies accounted for using the equity method : 1

(5) Change of Reporting Entities

The number of consolidated companies added : 0 The number of consolidated companies removed : 1
 The number of companies on the equity method added : 0 The number of companies on the equity method removed : 0

2. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2006

| | Net Sales | Operating Income | Net Income |
|--------------------------------------|-----------|------------------|------------|
| Six months ending September 30, 2005 | 24,000 | 1,500 | 800 |
| Year ending March 31, 2006 | 50,000 | 4,300 | 2,200 |

(Reference) Expected Net Income per share (Full year) 111.39 yen