point

Summary of Financial Results
for the First Quarter of the Fiscal Year Ending February 28, 2009

June 16, 2008

Company name: POINT INC. Listing: TSE 1st section
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(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter (March 1, 2008 – May 31, 2008)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter ended May 2008	18,800	17.8	3,323	(1.8)	3,389	(0.7)	1,803	(8.7)
First quarter ended May 2007	15,965	25.0	3,383	14.2	3,413	15.2	1,974	20.8
Fiscal year ended Feb. 2008	73,941	-	12,960	-	13,030	-	7,488	-

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended May 2008	72.85	-
First quarter ended May 2007	78.32	78.27
Fiscal year ended Feb. 2008	298.92	298.87

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 31, 2008	36,756	23,197	62.8	931.82
As of May 31, 2007	32,094	20,646	64.2	816.90
As of Feb. 29, 2008	37,712	22,349	59.1	900.95

(3) Consolidated cash flow position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the period
	Million yen	Million yen	Million yen	Million yen
First quarter ended May 2008	(2,061)	(726)	(1,200)	9,853
First quarter ended May 2007	(2,652)	(668)	(1,363)	12,322
Fiscal year ended Feb. 2008	7,943	(6,411)	(4,686)	13,849

2. Consolidated Forecast for the Fiscal Year Ending February 28, 2009 (March 1, 2008 – February 28, 2009)

Point Inc. maintains its consolidated forecast for the first half and fiscal year ending February 28, 2009 (released on April 3, 2008).

3. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of the simplified method for accounting: Yes

(3) Changes to accounting methods in the most recent consolidated fiscal year: None

Note: Please refer to “Qualitative Information and Financial Statements, 3. Others” on page 2 for further information.

*** <u>Cautionary statement with respect to forward-looking statements</u>**

Forward-looking statements in this report are based on currently available information and certain assumptions judged to be reasonable. Actual results may differ significantly from these forecasts for a number of factors.

Qualitative Information and Financial Statements

1. Qualitative information regarding consolidated results of operations

Below is a summary of first quarter (March-May 2008) results.

Net sales increased 17.8% year-on-year.

Despite an impact on spring and early summer apparel sales from rainy and cold days from April, sales at existing stores in Japan were 98.7% of the previous year's level, exceeding our 98.3% plan for the first half of the fiscal year.

Sales increased year-on-year for all brands due in part to a contribution from newly opened stores. The following brands showed particularly high domestic sales growth: LEPSIM LOWRYS FARM, APART BY LOWRYS, JEANASIS, and HEATHER.

Our newly launched brand INMERCANTO took off smoothly.

We aggressively opened 35 new stores (including five e-commerce websites) in the first quarter, raising our domestic store network to 491 stores (including 17 e-commerce websites) at the end of the quarter.

Overseas, we opened three stores in Hong Kong for the first time: two LOWRYS FARM stores and one JEANASIS store in March. In Taiwan, we opened the first two JEANASIS stores in March. As a result, we had 18 overseas stores at the end of the first quarter.

Regarding profits, the gross profit margin in the first quarter declined 2.6 points year-on-year to 63.2%, partly due to negligible effect from merchandise valuations, that benefited gross profit in the previous fiscal year.

SG&A expenses increased 20.2% year-on-year, generally in line with plan, as we increased new graduate hires compared to the last year in preparation for future growth.

As for extraordinary losses, we booked losses from the cancellation cost of rental contracts and disposal cost of fixed assets for stores planned for exit or renovation, and impairment losses for nine stores etc.

As a result, net sales in the first quarter increased 17.8% year-on-year to 18,800 million yen, operating income declined 1.8% to 3,323 million yen, ordinary income declined 0.7% to 3,389 million yen, and net income declined 8.7% to 1,803 million yen.

2. Qualitative information regarding consolidated financial position

Assets totaled 36,756 million yen as of May 31, 2008, 956 million yen lower than as of February 29, 2008. Net assets rose 848 million yen to 23,197 million yen. As a result, equity ratio increased to 62.8% from 59.1% at the end of the previous fiscal year.

Cash flow position

Net cash used in operating activities totaled 2,061 million yen. The main factors include income before income taxes of 3,123 million yen, an increase in accounts receivable of 1,801 million yen, an increase in inventories of 260 million yen, a decrease in accounts payable of 1,762 million yen, and income taxes paid of 2,295 million yen.

Net cash used in investing activities totaled 726 million yen. This was mainly due to payment of 449 million yen for lease deposits mostly for new stores.

Net cash used in financing activities totaled 1,200 million yen mainly due to cash dividends paid of 1,191 million yen.

As a result, cash and cash equivalents as of May 31, 2008 amounted to 9,853 million yen, or 3,996 million yen less than as of February 29, 2008.

3. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation)

No reportable information.

(2) Adoption of the simplified method for accounting

We have adopted the simplified method for booking allowance reserves and income taxes.

(3) Changes to accounting methods in the most recent consolidated fiscal year

No reportable information.