

Consolidated Interim Financial Statements

October 26,2007

For the First Half of Fiscal Year 2007(April 1,2007 to September 30,2007)

AICHI MACHINE INDUSTRY CO.,LTD.

Code No. : 7263
 URL : http://www.aichikikai.co.jp/
 Stock Exchange Listed : Tokyo and Nagoya Stock Exchange-First Section
 Corporate Headquarters : 2-12, Kawanami-cho, Atsuta-ku, Nagoya, 456-8601, Japan
 Corporate Representative : Yoshikazu Ishizaki, President and CEO
 Investor Relations : Toshihiro Sato, General Manager, Accounting & Finance Department
 Semiannual Securities Report to be submitted on : December 17,2007

1.Consolidated Financial Results for the First Half of Fiscal Years Ended September 30,2007 and 2006

		(millions of yen, except per share amount)							
(1)Consolidated Results of Operations		Sales		Operating Income		Ordinary Income		Net Income	
Six Months ended Sep.30,2007		49,815	(8.2)%	1,667	(28.4)%	1,702	(28.5)%	218	(63.1)%
Six Months ended Sep.30,2006		54,290	(13.4)%	2,329	(19.2)%	2,382	(15.8)%	592	127.6%
Year ended Mar.31,2007		106,477	—	4,640	—	4,658	—	614	—

	Net Income per Share	Diluted Net Income Per Share
Six Months ended Sep.30,2007	2.41yen	—
Six Months ended Sep.30,2006	6.54yen	—
Year ended Mar.31,2007	6.79yen	—

Notes: 1.Equity in earnings(losses) of affiliates: For the first half of fiscal year ended Sep.30,2007: - million yen
 For the first half of fiscal year ended Sep.30,2006: - million yen
 For the fiscal year ended Mar.31,2007: - million yen

2.Percentage above represent annual changes over the preceding year unless otherwise stated.

(2)Consolidated Financial Positions (millions of yen, except per share amount)

	Total Assets	Net Assets	Ratio of Net Assets to Total Assets	Net Assets per Share
Six Months ended Sep.30,2007	88,009	52,434	59.6%	579.03yen
Six Months ended Sep.30,2006	92,193	52,379	56.8%	578.33yen
Year ended Mar.31,2007	91,596	52,399	57.2%	578.59yen

Notes: Shareholders' Equity For the first half of fiscal year ended Sep.30,2007: 52,434 million yen
 For the first half of fiscal year ended Sep.30,2006: 52,379 million yen
 For the fiscal year ended Mar.31,2007: 52,399 million yen

(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 at End of the Period
Six Months ended Sep.30,2007	5,215	(2,528)	(2,540)	972
Six Months ended Sep.30,2006	5,468	(4,635)	(912)	1,823
Year ended Mar.31,2007	6,829	(7,797)	(108)	825

2.Dividend Payout Status

	Dividend Per Share		
	Interim	Year-End	Full Year
Year ended Mar.31,2007	—yen	2.00yen	2.00yen
Year ended Mar.31,2008	—yen	—	2.00yen
Year ended Mar.31,2008(Forecast)	—	2.00yen	—

3.Consolidated Financial Forecasts for the Fiscal Year ending March 31,2008 (millions of yen, except per share amount)

	Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Year ending Mar.31,2008	106,400 (0.1)%	4,400 (5.2)%	4,400 (5.5)%	500 (18.6)%	5.52yen

Notes: Percentage above represent annual changes over the preceding year unless otherwise stated.

4.Others

(1)Important Changes in scope of consolidation: No

(2)Major revision to accounting policy

①Any revision due to accounting policy amendment: No

②Other revisions: No

(3)Number of Shares Outstanding(Ordinary Shares)

①Number of Shares Outstanding at Term-End(incl. treasury stock)

For the first half of fiscal year ended Sep.30,2007: 90,655,636 shares

For the first half of fiscal year ended Sep.30,2006: 90,655,636 shares

Year ended Mar.31,2007: 90,655,636 shares

②Number of Treasury Stock at Term-End

For the first half of fiscal year ended Sep.30,2007: 100,020 shares

For the first half of fiscal year ended Sep.30,2006: 86,699 shares

Year ended Mar.31,2007: 91,318 shares

※Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.
 Amounts are disregarded to omit fraction less than 1 million yen, through this report.