

Summary of Business Result for FY June 2004 (Non-Consolidated)

Date: August 25, 2004

Company **Intelligent Wave Inc.**
 Stock Code 4847
 (URL <http://www.iwi.co.jp>)

Registered on the Jasdaq

Contact Title of Executive Director, Administration Management Planning Office
 Name Masaharu Sirasugi
 T E L 03-5620-1081
 Date of the meeting of board of directors Aug. 25, 2004 Interim divide Yes
 Date of annual shareholders' meeting Sept. 28, 2004 Trading unit share plan: No

1. Business Results as of FY June 2004 (July 1, 2003 – June 30, 2004)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income	
	¥ Million	%	¥ Million	%	¥ Million	%
June 2004	5,257	△10.8	371	△68.5	365	△68.6
June 2003	5,891	7.0	1,177	△36.5	1,161	△37.1

	Net Income		Net Income Per share	Diluted Net Income per share	Ratio of Net Income to Shareholders' Equity	Ratio of Recurring Income to total Asset	Ratio of Recurring Income to Net Sales
	¥ Million	%	¥	¥	%	%	%
June 2004	156	△71.1	1,146.66	1,143.62	3.5	7.3	6.9
June 2003	539	△46.2	4,082.00	-	12.0	21.5	19.7

(Note) 1 Equity in earnings of unconsolidated subsidiaries

Fiscal year ended Jun. 2004: △66 million, Fiscal year ended Jun. 2003: - million

2. Average number of shares outstanding

Fiscal year ended Jun. 2004: 128,214 shares, Fiscal year ended Jun. 2003: 131,004 shares

3. Changes in accounting principles applied: No

4. The percentages shown for net sales, operating income, ordinary income, and net income represent changes from the same period in the previous fiscal year.

(2) Divided

	Annual dividend per share			Total Dividend (Annual)	Dividend Payout ratio	Dividend Rate for Shareholders' Equity
	Interim	Year-end				
June 2004	500.00	0.00	500.00	63	43.6	1.4
June 2003	500.00	0.00	500.00	64	12.2	1.4

(3) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' equity to total assets	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
June 2004	5,009	4,401	87.9	34,489.64
June 2003	5,044	4,485	88.9	34,673.97

(Note) 1. Number of shares outstanding at end of period: Fiscal year ended Jun. 2004: 131,700 shares Fiscal year ended Jun. 2003: 131,700 shares

2. Treasury stock at end of period: Fiscal year ended Jun. 2004: 4,335 shares, Fiscal year ended Jun. 2003: 2,486 shares

(4) Results of Cash Flows

(Note: Rounded down to ¥ Million)

	Net cash flows by operating activities	Net cash flows by investment activities	Net cash flows by financial activities	Balance of cash and cash equivalents at the end of year
	¥ Million	¥ Million	¥ Million	¥ Million
June 2004	△122	273	△307	1,399
June 2003	111	△782	△585	1,556

2. Forecast of Financial Performance in FY June 2005 (July 1, 2004 – June 30, 2005)

	Net Sales	Recurring Income	Net Income	Annual dividend per share		
				Interim	Year-end	
Dec. 2004 Interim	1,970	35	22	0.0	-	-
FY ended Jun. 2005	5,890	900	536	-	500.00	500.00

(Note) Forecast net income per share for the year: 4,214.74 yen